

SUSTAINABILITY & SOCIAL IMPACT

2020-2022

Report

MARY KAY



ENRICHING LIVES TODAY
FOR A SUSTAINABLE TOMORROW



Photo courtesy Mary Kay Global



ENRICHING LIVES TODAY
FOR A SUSTAINABLE TOMORROW

Enriching Women's Lives: Continuing Our Legacy of Sustainability & Social Impact

For nearly 60 years, Mary Kay Inc. has empowered women while changing the business world and supported local communities. As a family-owned company, our focus has been to operate to the highest standards for business, preserve the environment, and ensure a positive social impact. We want to share our history, commitments of today, and vision for the future.

Enriching Lives Today for a Sustainable Tomorrow is our holistic approach encompassing the three dimensions of sustainability to deliver a decade of sustainable action. We have established ambitious targets, and we know to achieve our goals we need to be creative, innovative and disruptive. Our legacy will guide us, our passion will drive us, and our journey will take us there.

We must have a theme, a goal, a purpose in our lives.

If you don't know where you're aiming, you don't have a goal.

Mary Kay

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ABOUT THIS REPORT

The Sustainable Development Goals (SDGs)

The goals are interconnected and recognize global challenges must be accompanied with strategies that tackle immediate and future concerns. We will contribute to 15 of the 17 SDGs defined by the United Nations.

Our enterprise-level actions and external programs are aligned to the following SDGs:



- SDG 1 (No Poverty)
- SDG 2 (Zero Hunger)
- SDG 3 (Good Health and Well-Being)
- SDG 4 (Quality Education)
- SDG 5 (Gender Equality)
- Goal 6 (Clean Water and Sanitation)
- SDG 8 (Decent Work and Economic Growth)
- SDG 9 (Industry, Innovation and Infrastructure)
- SDG 10 (Reduced Inequalities)
- SDG 12 (Responsible Consumption and Production)
- SDG 13 (Climate Action)
- SDG 14 (Life Below Water)
- SDG 15 (Life on Land)
- SDG 16 (Peace, Justice & Strong Institutions)
- SDG 17 (Partnerships for the Goals)

Mary Kay Inc. (MKI) views sustainability as the natural path for the future. Sustainability is a key strategy for our business, enabling us to drive responsible growth and create new opportunities for shared success.

As part of our journey toward greater global sustainability, we are committed to sharing details of our current strategic efforts. In addition, we believe it is important to share with you our history in sustainability & social impact on the cusp of our 60th anniversary. Reporting on our progress will increasingly demonstrate how non-financial material issues contribute to our growth and development.

We are committed to our sustainability goals and plan to continue leading with purpose: maximizing our social impact, decreasing our environmental footprint, and fostering an innovative and inclusive culture. Our legacy of environmental stewardship, our foundational value to give back, and our drive for business excellence have exemplified our commitment since the beginning.

We are committed to continuous progress to ensure a more sustainable future.

DISCLOSURE

Our future results, including the achievement of our targets, goals, or commitments, could differ materially from our projected results due to changes in circumstances, assumptions not being realized, or other risks, uncertainties, and factors. The information and opinions contained in this report are provided as of the date of this report and are subject to change without notice. The standards of measurement and performance contained within are developing and based on assumptions, and no assurance can be given that any plan, initiative, projection, goal, commitment, expectation, or prospect set forth in this report can or will be achieved.

OUR JOURNEY

As a family-owned company, our values are simple: Live by The Golden Rule; give expecting nothing in return; make everyone you meet feel important; and focus on balancing priorities. These guiding principles are our family's heritage, and for nearly 60 years they have been the moral compass of our Company's corporate culture. We know our moral imperative is to continue our legacy of doing the right thing: Today. Tomorrow. Always.

Through our mission Enriching Women's Lives, we invest in empowering Mary Kay Independent Beauty Consultants around the world in entrepreneurial advancement to realize their full potential. The positive impact of Independent Beauty Consultants coupled with our guiding principles, serve as the foundation for our business, sustainability & social impact strategies.

In 2021, we announced our sustainability strategy: Enriching Lives Today for a Sustainable Tomorrow. We are excited to provide an update regarding our progress. We are already making a significant positive impact, and we know where there is room for improvement. We will keep striving to do better, and are immersing ourselves in identifying the gaps and opportunities on how we can change and improve.

We are conscious of our actions today and are committed to intentional and sustainable initiatives to address the global challenges threatening future generations.

This is far bigger than us, but Mary Kay's mission always has been.

Let's keep making the world better.



Ryan Rogers
Chief Investment Officer

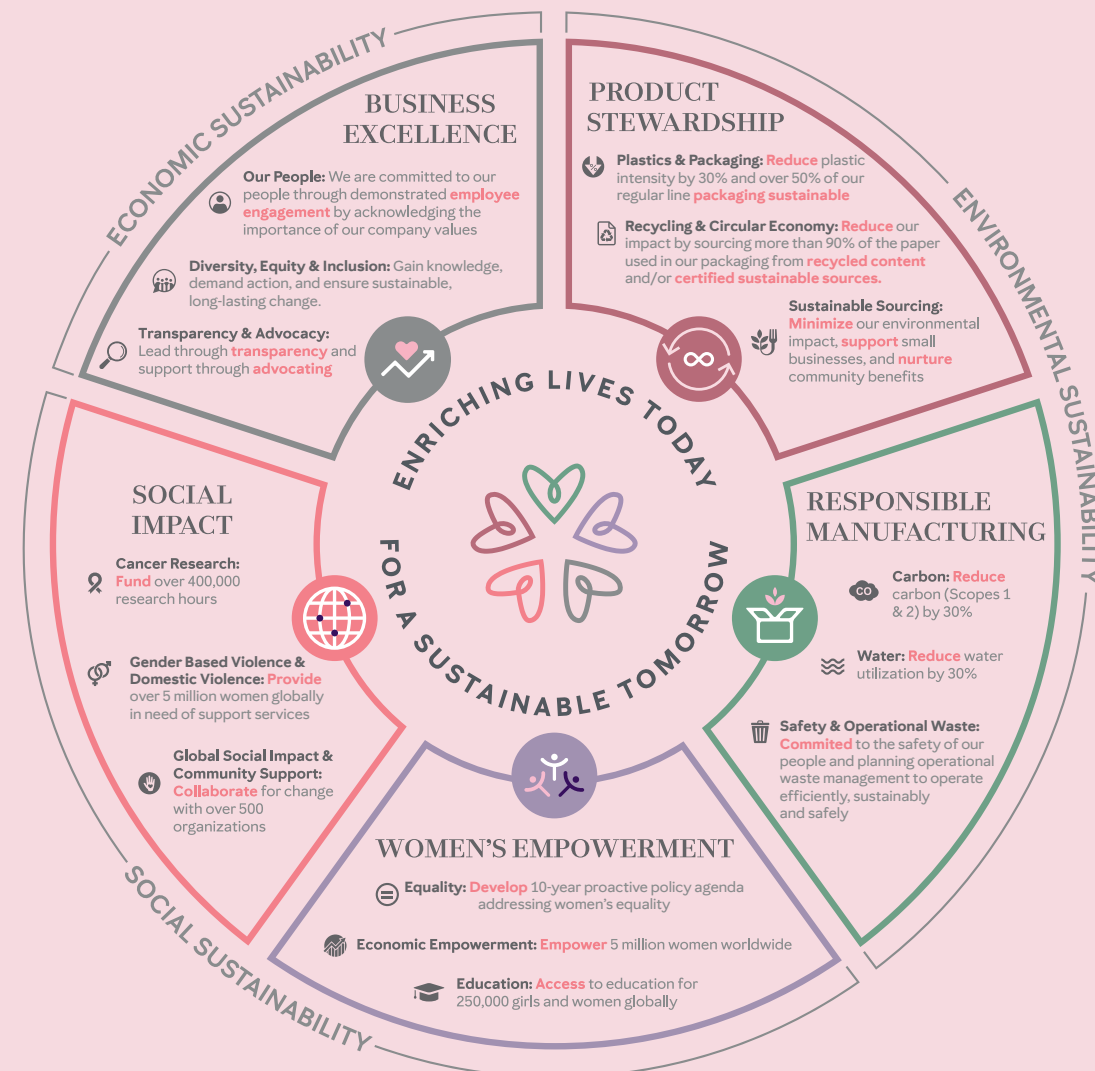
Richard Rogers
Executive Chairman

60 Years & Beyond

Living Our Values and Our Legacy to do the Right Thing

OUR SUMMARY

We must act *TODAY*.
We must protect *TOMORROW*.
We must improve *ALWAYS*.



For nearly 60 years, Mary Kay has strived to enrich women's lives, develop innovative products, and support positive community impact around the world.

The cosmetics and personal care industry is in transition as companies evolve to meet the growing demands from customers for environmentally conscious and transparent operations.

While there have been meaningful initiatives implemented throughout the industry—and within Mary Kay itself—there is still an immense amount of work to be done to find long-term solutions to the environment and socio-economic challenges ahead.

Our comprehensive approach to sustainability: Enriching Lives Today for a Sustainable Tomorrow (ELTFAST) launched in 2020. The plan demonstrates our vision to 2030 and beyond. It builds a picture of what good “looks like” for Mary Kay, Independent Beauty Consultants and their customers, and the planet. Enriching Lives Today for a Sustainable Tomorrow was developed with our key stakeholders and is aligned with the United Nations' Sustainable Development Goals, making Mary Kay a key part of a global coalition to ensure a better future.

We divided our sustainability approach into five pillars: business excellence, product stewardship, responsible manufacturing, women's empowerment, and social impact. In these pillars, you'll find our 15 commitments to deliver a decade of sustainable action.

Since the launch of ELTFAST in 2020, Mary Kay has made significant progress toward its goals despite the many challenges presented by the COVID-19 epidemic. In this 2022 report, you'll find details on that progress and a reaffirmation of the company's drive to deliver on its decade of action.

We are committed to improve how we operate, and we know our actions every day have an impact on tomorrow. We invite you to join us on our sustainability journey and learn more about our commitments, our accountability to leave behind a better planet, and our **responsibility to each other**.

5 PILLARS. **15** COMMITMENTS.
A DECADE OF ACTION.



Business Excellence

In today’s dynamic and continuously changing business world, it is the human assets, not the fixed or tangible assets that differentiate an organization from its competitors. Our employees are the backbone of our organization. We empower employees by nurturing creativity and innovation in the workplace, which is necessary to succeed today, tomorrow, and always.

OUR PEOPLE

We are committed to our people through employee engagement by developing effective benefits and well-being programs to health and safety processes by demonstrating our company values and nurturing our corporate culture.

OUR PROGRESS

2020 - 2022 Total
o In 2021, scored 75% employee engagement, a 6% increase over the 2019 full engagement survey. *(This is 10% over the global average for employee engagement.)*

2020

- » Founding member of the The National Racial Equity Initiative for Criminal Justice to advance research in the context of criminal justice reform.
- » Co-hosted a Resilient Indigenous Leaders Network, which brought 14 leaders from the Great Bear region of Canada to focus on building personal resilience and sustainability.

2021

- » 52 company awards in business excellence, social impact and sustainability.
- » 12 employer/great place to work awards.
- » Ranked one of America’s Best Mid-Sized Employers 2021 by Forbes.
- » Wendy Wang was named President of Asia Pacific Region.

2022

- » 38 company awards in business excellence, social impact and sustainability.
- » 13 employer/great place to work awards.
- » Ranked #8 on list of “The Companies Employees Don’t Want to Leave,” published by Resume.io.
- » Deloitte named Mary Kay Inc. one of the 2022 U.S. Best Managed Companies.

OUR PROGRESS

2020-2022 Total
o Knowledge: Internal Training
o Action: 192 partnerships
o Change: 198 programs supported

2020

- » Founding member of the The National Racial Equity Initiative for Criminal Justice to advance research in the context of criminal justice reform.
- » Co-hosted a Resilient Indigenous Leaders Network, which brought 14 leaders from the Great Bear region of Canada to focus on building personal resilience and sustainability.
- » Appointed executive team member Julia A. Simon as Chief Diversity & Inclusion Officer and launched global DEI initiatives.

2021

- » Harvard Business School published a case study titled “Mary Kay Ash: Changing the World” (121-046) - authored by Robert Simons and Shirley Sun. It “...describes the rise of Mary Kay [Ash], the founder of the worldwide cosmetics company. As a young, single mother, Mary Kay had to overcome many obstacles to start her business and guide it to success... Students will learn how Mary Kay navigated life’s choices to leave a lasting impact on the world.”
- » In collaboration with Equal Rights Trust, announced research to address gendered impacts of artificial intelligence (AI).
- » 100% of U.S.-based Directors and above completed mandatory Unconscious Bias training.

2022

- » Joined the UN Global Compact Target Gender Equality Accelerator Program to deepen implementation of the Women’s Empowerment Principles.

DIVERSITY, EQUITY & INCLUSION

We are committed to gain knowledge, demand action, and ensure sustainable, long-lasting change.

TRANSPARENCY & ADVOCACY

We are committed to advocacy & transparency through sustainable practices, and to be open, honest and transparent by making information available on our owned media channels, independent audits, and meeting guidelines set forth by organizations as agreed in our sustainability commitments.

OUR PROGRESS

2020-2022 Total
o Transparency: 24
5 reports supported/issued annually
o Advocacy: 14
3 reports supported/issued annually

KEY ACCOMPLISHMENTS

2020

- » Announced alignment to the UN Universal Declaration of Human Rights, UN Guiding Principles on Business and Human Rights, and International Labour Organization (ILO) Fundamental Conventions. In 2019, became a signatory of the United Nations Global Compact (UNGC) 10 Principles.

2021

- » Submitted first UN Global Compact Communication on Progress (2020-21) highlighting progress in the following areas: Governance, Human Rights, Labor, Environment, and Anti-Corruption.

2022

- » In January, released our 2021 Year-End Highlights Report highlighting its 58 awards and recognition honors, and our efforts in social impact and sustainability throughout the year.



Product Stewardship

We are challenging ourselves to further embed sustainable practices in our business through product development, design, responsible sourcing, and mitigation of plastic pollution. We strive to continuously improve the profile of our products. Consumers have better choices because we continuously seek improvement.



PLASTICS & PACKAGING

We are committed to decreasing the plastic intensity in our packaging by 30%, and increasing circularity with post-consumer resin.

OUR PROGRESS

2020 - 2022 Total

- o Reduced nearly 500,000lbs. of plastic
- o Approved 16 new sustainable packages for future product packaging.

KEY ACCOMPLISHMENTS

2020

- » Reduce plastic in packaging: Reduced over ~37,000 lbs. of plastic.
- » Incorporate life cycle analysis (as needed): Integrated sustainable packaging in new product development processes; approved four new sustainable packages for future product packaging.
- » Global Alignment: Joined SPICE (Sustainable Packaging Initiative for CosmEtics) with other industry leaders to help set improved packaging standards for cosmetics; and Deborah Gibbins, chief operating officer, joined the “Future of Consumption” initiative.

2021

- » Reduce plastic in package: Reduced over 450,000 lbs. of plastic.
- » Incorporate life cycle analysis (as needed): Approved 12 new sustainable packages.
- » Global Alignment: Member of SPICE (Sustainable Packaging Initiative for CosmEtics).

2022

- » *Reducing plastic in primary and secondary packaging:* Completed a full evaluation and categorization of components to accurately measure plastic intensity in real time.

OUR PROGRESS

- 2020 - 2022 Total
- o Increased post-consumer paper content from 20% to 30% for inserts
 - o Achieved Forest Stewardship Council certification

2020

- » Self-Audit: 2020 benchmark—13.9% Sustainable Packaging.
- » Recycling: Cardboard recycling programs at Richard R. Rogers Manufacturing/R&D facility (R3) and Southwest (SW) Distribution Center; 100% of cardboard is recycled and gets re-pulped into cardboard sheeting.
- » Global Alignment: SPICE launches publicly available eco-design tool to measure and reduce the environmental footprint of cosmetics packaging.

2021

- » Packaging inserts: Increased post-consumer paper content from 20% to 30% (~20,000 lbs. of paper reduced annually).
- » Certified Sustainable Board: 5% of cartons (Dallas); 100% of cartons (Brazil); 100% of re-shippers (Dallas & Brazil); and continued cardboard recycling programs at global manufacturing and distribution center in the U.S. (SW).
- » Global Alignment: SPICE published guidelines for Packaging Claims; joined the Ellen MacArthur Foundation as part of our commitment to become a more sustainable, circular business.

2022

- » Global Certification: Achieved Forest Stewardship Council certification (U.S.A only).
- » Product Stewardship: Implemented process for sustainable packaging claims substantiation and reporting.

KEY ACCOMPLISHMENTS

SUSTAINABLE SOURCING

We are committed to ensuring our sourced products are obtained in a responsible and sustainable way by addressing environmental and ethical factors in our supply chain.

OUR PROGRESS

- 2020- 2022 Total
- o 12% of our Indirect Suppliers are Women, Minority or Veteran-Owned (U.S.A. only)
 - o 100% compliance from supplier base to our Code of Ethics (U.S.A. only)
 - o Achieved Palm oil–88% certified and Palm kernel–72% certified.

2020

- » Responsible Procurement Program: Relaunched “Standards for Ingredients and Formulations”.
- » Governance: Completed Roundtable on Sustainable Palm Oil audit with no negative findings.

2021

- » Responsible Procurement Program: 100% compliance from supplier base to our Code of Ethics; 100% of top 10 and 50% of top 100 suppliers by spend have their own sustainability policy. Partnered with ECOVADIS, a third-party entity, to validate supplier sustainability policies (142 direct suppliers with scorecards).
- » Sustainable Sourcing: Achieved Palm oil–88% certified and Palm kernel–72% certified.

2022

- » Responsible Procurement Program: Updated language in Supplier Code of Ethics to include sustainable procurement; and a sustainability clause added to supplier contract templates.
- » Sustainability Focused Supplier Summit: Held in September 2022.
- » Inclusive Sourcing: Named 2022 Silver Champion for Supplier Diversity & Inclusion.
- » Gender Responsive Procurement & Supplier Diversity: In support of WEA, UN Women released an Advocacy Brief presenting evidence of the benefits for strengthening the participation of women in private sector supply chains.

KEY ACCOMPLISHMENTS



Responsible Manufacturing

Our global footprint is vast and drives our holistic sustainability approach especially within our operations. We are focused on efficient manufacturing operations by reducing our environmental impact and identifying opportunities for resource improvement.

CARBON

We are committed to reduce our carbon footprint (scopes 1 and 2) by 30%.

OUR PROGRESS

2020 - 2022 Total

- o Reduce GHG: Commissioned a third-party audit for carbon baseline

2020

- » Preliminary carbon footprint baseline conducted.
- » Contributed more than 1.2 million trees to the 1t.org Initiative in partnership with the Arbor Day Foundation and World Economic Forum, supporting the UN Decade on Ecosystem Restoration.

2021

- » Launched and executed phase two of carbon footprint baseline:
 - Total carbon emissions, including the consumer use phase, was 538,979 tCO₂-eq.
 - The top driver of total carbon footprint, or about 61% of total emissions in CY2021, came from the consumer use phase.
 - The second largest driver, or about 16% of the total in CY2021, was the purchase of materials and ingredients used to package and formulate products.
 - The third largest driver, or about 13% of the total in CY2021, was downstream transportation, including cars driven by Mary Kay independent beauty consultants.
- » Released Forest of Hope documentary during the 2021 UN Climate Change Conference (COP26).
- » Supported The Arbor Day Foundation on six reforestation projects around the world including: Brazil, China, Germany, Peru, and the United States.

2022

- » Supported The Arbor Day Foundation on three global reforestation projects in Brazil, Madagascar, and the United States.

OUR PROGRESS

2020 - 2022 Total

- o Installed additional meters in various areas throughout R3 operations to ensure data accuracy, and additional meters for purified water operations.

WATER

We are committed to reduce water utilization in our manufacturing process by 30%.

2020

- » Conducted preliminary water footprint baseline:
 - Less than five percent of water used at global manufacturing plant goes directly into products.
 - Data collection systems and optimization measures (water reuse, improved wastewater treatment) are already implemented in manufacturing plant in Hangzhou, China.
 - Global manufacturing facility took steps toward developing a site water balance.
- » Released Guardians of the Gulf documentary highlighting conservationists in the Gulf of Mexico.
- » Supported The Nature Conservancy's Global Reefs program: 11 unique impact programs.

2021

- » Launched and executed phase two of water footprint baseline:
 - Total water footprint in CY2021 was 607 million gallons (2,300,385 m³).
 - Manufacturing facilities directly used approximately 12 million gallons (47,728 m³) in CY2021, a relatively small component of the total water footprint.
 - A majority of indirect water use, about 32% of the total in CY2021, came from the consumer use phase.
- » *Global Alignment:* Became a signatory to the CEO Water Mandate and the United Nations Global Compact's Sustainable Ocean Principles; and joined Alliance for Water Stewardship.
- » Supported The Nature Conservancy's Global Reefs program: 7 unique impact programs.
- » Participated in a consultation with the governments of the Netherlands and Tajikistan to help define the role of the private sector in the Water Action Agenda.

2022

- » Supported The Nature Conservancy's Global Reefs program: 12 unique impact programs.
- » Global Alignment: Joined the UN Global Compact's Ocean Stewardship Coalition.

2020

- » Partnered with service providers to increase landfill diversion and generate renewable energy from waste.

2021

- » Richard R. Rogers Manufacturing/R&D facility (R3), announced it passed its OSHA VPP Star Re-Certification with zero findings and recommendations.
- » Globe Awards Silver Winner Golden Bridges Awards in 3 categories for COVID-19 Response.

2022

- » Received OSHA Star Re-Certification Credentials (Feb. 2022).
- » Continued partnerships with service providers to increase landfill diversion and generate renewable energy from waste.

SAFETY & OPERATIONAL WASTE

We are committed to the safety of our people by developing effective health and safety processes, and planning for future operational waste management ensuring our buildings will operate efficiently, sustainably, and safely.

OUR PROGRESS

2020 - 2022 Total

- o OSHA Star Re-Certification Credentials (Feb. 2022)
- o Richard R. Rogers Manufacturing/R&D facility (R3), announced it passed its OSHA VPP Star Re-Certification with zero findings and recommendations.



Women's Empowerment

Women and girls face significant barriers to realizing their own potential. Shattering glass ceilings is no longer enough. Every barrier must be torn down and stay down, ensuring equality and sustainable change. We celebrate women and girls all over the world: empowering them, lifting their communities, and eliminating inequalities. Empowered women and girls are the key to the future.

EQUALITY

We are committed to developing a 10-year policy agenda to addressing women's equality.

OUR PROGRESS

2020 -2022 Total

- o 6 equality support tools supported
- o 2 company position paper/impact reports released

2020

- » Contributed to an advocacy tool titled "Strengthening Support for Women Entrepreneurs in COVID-19 Response and Recovery," developed by WE EMPOWER-G7, a program funded by the European Union (EU) and implemented by UN Women and International Labour Organization (ILO).
- » Supported The Nature Conservancy partnership by advancing conservation and sustainable aquaculture projects in Australia and New Zealand.

2021

- » Released a position paper welcoming the European Commission's Gender Equality Strategy for 2020-2025.
- » Joined the Generation Equality Forum in Paris, as well as five Global Action Coalitions to accelerate achieving gender equality by 2026.
- » Supported women-led, regional-level conservation initiatives created by The Nature Conservancy in the Coral Triangle and in the Asia Pacific region.

2022

- » Completed the Women's Empowerment Principles Gender Gap Analysis Tool as part of our participation in the UN Global Compact Target Gender Equality Accelerator.
- » Advocated for the acceleration of gender equality and highlighted the critical role of the private sector to help close the gender gap through a global statement following the release of the 2022 Global Gender Gap Report.
- » Advanced women's leadership in the fishing industry in Mexico through 8 programs and projects implemented by The Nature Conservancy.

ECONOMIC EMPOWERMENT

We are committed to empowering over five million women worldwide.

OUR PROGRESS

2020-2022 Total

- o Direct: 532,522
- o Indirect: 7,109,235

2020

- » Supported a Women's Entrepreneurship Development (WED) Assessment led by International Labour Organization (ILO) in Mexico City and efforts to strengthen advocacy for women's entrepreneurship development in the LATAM region.

2021

- » Welcomed three additional partners to the Women's Entrepreneurship Accelerator (WEA): International Telecommunication Union (ITU), Commonwealth Businesswomen's Network (CBWN), and WE Empower UN SDG challenge.
- » Supported the design by UN Women of a gender-responsive procurement and investment (GRPI) pilot training for women entrepreneurs and companies in Europe and Central Asia and the launch of the first Women Entrepreneurship EXPO.

2022

- » Powered the global launch of a free online Entrepreneurship Certificate Programme —developed by International Trade Centre SheTrades in six languages.
- » Supported the release by UN Women of an Advocacy Brief titled "Procurement's Strategic Value. Why gender-responsive procurement makes business sense."
- » Backed an open innovation competition organized by International Telecommunication Union recognizing 10 digital best practices and solutions to create a more gender-inclusive eco-system for start-ups and scale-ups.

EDUCATION

We are committed to ensuring access to education for 250,000 girls and women globally.

OUR PROGRESS

2020 - 2022

- o Programs: 34
- o Projects: 34
- o Impact: 96,198

2020

- » Programs: 10
- » Projects: 10
- » Impact: 49,952
- » Partnered with Network for Teaching Entrepreneurship (nfte) to reach nearly 48,000 youth globally through World Series of Innovation (WSI) corporate-sponsored challenge asking youth to address a UN SDG; Innovation Days for Mary Kay employees to help students craft submissions for our WSI challenge; and sponsoring the UN Global Goals Conversation to advance a dialogue around social entrepreneurship solutions.

2021

- » Programs: 14
- » Projects: 13
- » Impact: 23,198
- » Funded 13 unique education-related projects and awarded 15 scholarships to individuals seeking higher education or furthering their educational pursuits.
- » Awarded the first-ever Madam C.J. Walker Scholarships, in collaboration with Society of Cosmetic Chemists, to underrepresented minority students pursuing degrees in cosmetics or related sciences.

2022

- » Programs: 10
- » Projects: 11
- » Impact: 23,048
- » 14 Young Women in STEAM Grants have been awarded to-date during the decade of action, providing women around the world with grants allowing them to further pursue their dreams in STEAM-related areas.
- » Ivanna Hernandez, a 2021 recipient of a Young Women in STEAM Grant, receives a second continuing education grant to further her dream of becoming the first Latin American woman astronaut to go to Mars.

KEY ACCOMPLISHMENTS

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Social Impact

It's simple: lead with purpose. At the center of our moral compass is purpose. We are dedicated to collaborating with organizations from all over the world to find meaningful solutions to global issues.

GLOBAL SOCIAL IMPACT & LOCAL COMMUNITY

We, along with our company-sponsored foundations, are committed to collaborating with over 500 organizations and supporting positive change all over the world.

PROGRESS TO GOALS

2020 - 2022 Total
276 organizations supported*

**Note: In support of relief efforts for COVID, Mary Kay increased its giving programs and supported 2,243 organizations. This number is not included in the '20-'22 progress data.*

2020

- » Only company in the U.S. to donate hand sanitizer to the Global Outbreak Alert and Response Network (GOARN), for the Pan American Health Organization, Regional Office for the Americas of the World Health Organization (PAHO/WHO) to be donated to the Latin America region.
- » Only company in the U.S. to donate hand sanitizer to the entire Navajo Nation Indian Health Service Network (26 hospitals, 59 health centers, and 32 health stations).
- » Mary Kay was named in the Purpose Power Index™ conducted by Reputation Institute and StrawberryFrog, aimed to show which companies were most closely living their mission.
- » Mary Kay Independent Beauty Consultants and individual donors fundraised and donated over \$1.3 million to the Mary Kay Ash Foundation to support cancer research and domestic violence.
- » Pink Changing LivesSM cause empowerment program supported over 135 organizations serving over 500,000 women and children.

2021

- » Pink Changing LivesSM cause empowerment program supported over 15 NGOs around the world.
- » Donated more than \$1.68 million to global organizations helping to enrich women's lives.

2022

- » Donated more than \$1.3 million to global organizations helping to enrich women's lives.
- » Mary Kay China Women's Entrepreneurship Program supported four women entrepreneur initiatives directly benefiting 133 women by increasing their annual per capita income.

GENDER-BASED VIOLENCE (GBV) & DOMESTIC VIOLENCE (DV)

We are committed to serving five million women globally in need of support services.

**GBV & DV goal will be achieved in conjunction with our company-sponsored foundations.*

OUR PROGRESS

2020 - 2022 Total

- o Direct: 2,241,541 women and children supported
- o Indirect: 20,645,257 women and children supported

2020

- » Mary Kay and the Mary Kay Ash Foundation supported two gender assessments of the impact of COVID-19 pandemic on women and girls led by UN Trust Fund to End Violence against Women among 144 Civil Society Organizations (CSOs).
- » Mary Kay and the Mary Kay Ash Foundation supported phase 1 of the development of CARE's GBV Risk Mitigation Toolkit to ensure CARE projects take steps to reduce the risk of GBV and establish appropriate response systems.

2021

- » Mary Kay and the Mary Kay Ash Foundation were recognized in the UN Women Report on the activities of the United Nations Trust Fund to End Violence Against Women to the Commission on the Status of Women (CSW65) and Human Rights Council.
- » Mary Kay and the Mary Kay Ash Foundation provided grants to CARE (329 projects) and UN Trust Fund (37 projects) supporting 366 projects to prevent and address GBV around the world.
- » Mary Kay and the Mary Kay Ash Foundation joined the Generation Equality Action Coalition on Gender-Based Violence.

2022

- » Mary Kay and the Mary Kay Ash Foundation grants helped CARE protect and support women and girls impacted by GBV in humanitarian settings and CARE's target to eliminate GBV for 7 million women and girls.
- » Mary Kay and the Mary Kay Ash Foundation grants supported the development and launch of a "GBV Guidance for Development Programs" and its rollout in 10 countries of intervention as well as the establishment of a Community of Practice convening 240 members across 16 countries to date.
- » Mary Kay and the Mary Kay Ash Foundation grants helped the UN Trust Fund change the lives of 54,822 women and girl survivors of violence through 157 GBV projects in 68 countries across 5 regions including women and girls living with disabilities, internally displaced or refugee women and girls and Indigenous women and girls.

KEY ACCOMPLISHMENTS

KEY ACCOMPLISHMENTS

2020

- » Mary Kay and the Mary Kay Ash Foundation, in partnership with the Harold C. Simmons Comprehensive Cancer Center at UT Southwestern Medical Center in Dallas, launched the International Postdoctoral Scholars in Cancer Research.

2021

- » Mary Kay and the Mary Kay Ash Foundation, funded nearly \$1.8 million in cancer research grants and support programs.
- » Mary Kay and the Mary Kay Ash Foundation, awarded nearly 40 cancer research grants, 40% of those were women-led initiatives.

CANCER RESEARCH*

We are committed to funding 400,000 hours of cancer research.

**Cancer Research goal will be achieved in conjunction with our company-sponsored foundations.*

OUR PROGRESS

2020 - 2022 Total

- o 288,600 cancer research hours funded
- o 111 research grants awarded

2022

- » 288,600 research hours conducted to-date.
- » As part of a three-year clinical trial conducted by breast oncologist Joyce O'Shaughnessy, MD, Celebrating Women breast cancer research chair, the Mary Kay Ash Foundation served as lead funder for the clinical trial to advance treatment options for metastatic triple-negative breast cancer.

ECONOMIC SUSTAINABILITY

As we focus on the long term, we aim to make smart financial investments for the future of our business—and drive our business practices toward environmental and social responsibility. Our talented employees are central to ensuring this alignment and we do this based on our operating principles of trust and transparency. ***We collaborate with many diverse stakeholders to secure the long-term growth of our business, environmental actions to safeguard the future of our planet, and investing and making a difference in communities.*** Our business excellence pillar and commitments clearly demonstrate our journey and our vision for the future to align with the principles of economic sustainability.

 ENRICHING LIVES TODAY
FOR A SUSTAINABLE TOMORROW



OUR COMPANY

Mary Kay was founded nearly 60 years ago with three goals:

to empower women through entrepreneurship, to offer innovative products, and make the world a better place. That dream has blossomed into a multi-billion-dollar company with 4,500 employees worldwide in nearly 35 countries. To support our employees and operations, our global headquarters is located in Addison, Texas, USA. However, our global footprint includes two state-of-the-art manufacturing facilities, our global technology-innovative Automated Storage and Retrieval Systems (ASRS), 18 distribution centers, and 23 market satellite offices around the world.

Mary Kay Ash spent a quarter-century in direct sales, launching her career by selling books. She loved direct sales because it not only provided a good income but also gave her the flexibility she needed as a single mother to build a successful career while raising three children.

Gradually, however, she became disillusioned by the lack of real advancement opportunities for women in traditional direct selling companies. Eventually, in 1963, she decided she had enough. Setting out to write a book about her experiences in direct sales, Mary Kay created instead a business plan focusing on economic independence for women through direct selling.

Committing her life savings of \$5,000, she decided to give her entrepreneurial business plan a try. On Sept. 13, 1963, Mary Kay Inc., opened the doors of a small storefront in Dallas, proudly displaying its line of nine beauty products. An iconic chapter began in entrepreneurial business history that has been studied at universities all over the world.



Nearly 60 years later,

Mary Kay Inc. has expanded to support its global operations:

COMPANY

With nearly 4,500 employees, our global footprint includes two state-of-the-art manufacturing facilities, 18 distribution centers, and 23 market satellite offices around the world.

ENTREPRENEURSHIP EMPOWERMENT

We empower women through our investment in education, mentoring, training, networking, innovation, and promoting success; supporting women aspiring for a pathway to economic independence through entrepreneurship.

SCIENCE BEHIND THE BEAUTY

We have over 1,600 patents for products, advanced technologies, and packaging designs, and we conduct thousands of tests each year.

INNOVATIVE & DIVERSIFIED PRODUCT PORTFOLIO

We have more than 700 skincare, color cosmetics, and signature fragrances SKUs available in our global portfolio.

SOCIAL IMPACT

Along with our subsidiaries, we work with hundreds of organizations from around the world promoting various corporate social responsibility programs.

SUSTAINABILITY

Our global sustainability strategy is known as Enriching Lives Today for a Sustainable Tomorrow. Our holistic approach encompasses three pillars of sustainability—economic, environmental and social—through five pillars, activated by 15 commitments to deliver a decade of sustainable action.

- *Our Employees are the backbone of our organization.*
- *The Independent Sales Force is the empowerment of our organization.*
- *Our Commitment is to the sustainable impact for positive change in the world.*



Business Excellence

OVERVIEW

In today’s dynamic and continuously changing business world, it is the human assets, not the fixed or tangible assets that differentiate an organization from its competitors. Our employees are the backbone of our organization. We empower employees by nurturing creativity and innovation in the workplace, which is necessary to succeed today, tomorrow, and always.

We will focus on *three commitments* toward achieving our 2030 sustainability targets for Business Excellence:



OUR PEOPLE

We are committed to our people through employee engagement by developing effective benefits and well-being programs to health and safety processes by demonstrating our company values and nurturing our corporate culture.



DIVERSITY, EQUITY & INCLUSION

We are committed to gain knowledge, demand action, and ensure sustainable, long-lasting change.



TRANSPARENCY & ADVOCACY

We are committed to transparency & advocacy through sustainable practices, and to be open, honest and transparent by making information available on our owned media channels, independent audits, and meeting guidelines set forth by organizations as agreed in our sustainability commitments.



Business Excellence

HISTORICAL HIGHLIGHTS

DID YOU KNOW?

Our global headquarters are located in Addison, Texas, U.S.A. Our global footprint includes two state-of-the-art manufacturing facilities, a global technology-innovative Automated Storage and Retrieval Systems (ASRS), 18 distribution centers, and 23 market satellite offices around the world.



This report showcases progress for our sustainable commitments through our actions today and our commitment to the future. We believe it is mutually important to share our historical efforts in these commitments and how our impact is not recent but our legacy to **do the right thing.**



OUR PEOPLE



DIVERSITY, EQUITY & INCLUSION



TRANSPARENCY & ADVOCACY

- 1984

Featured in the **first-ever** edition of The **100 Best Companies** to Work for in America book.
- 1993

Became a **Voluntary Protection Program** (VPP) participant, a program launched by the U.S. Occupational Health & Safety Administration (OSHA). Became the first cosmetics manufacturer to be awarded merit site designation in OSHA's VPP and **one of only 37** in all fields as a result of its excellent safety record, safety programs and employee involvement.
- 1996

The manufacturing division achieves **Star Work Site status** from the Occupational Safety and Health Administration (OSHA).
- 2000

One of only **two cosmetic companies** (out of 6.2 million businesses in the U.S.) to reach Star Status with OSHA.
- 2019

Recognized in the 2019 Global Workplace 100 study as **one of the world's most reputable employers**. Ranked #42 among the top 100 global companies on the list.
- 2019

Reputation Institute named Chairman and CEO, David Holl, among the top **10 most reputable** chief executives in the world according to its CEO RepTrak® 2019.
- 2022

Ranked #8 on list of "The Companies Employees Don't Want to Leave," published by Resume.io.
- 2022

Deloitte named Mary Kay Inc. one of the **2022 U.S. Best Managed Companies**.
- 1964

One of the first cosmetics companies to introduce a complete line of skin care products, "Mr. K," **exclusively for men** on February 7, 1964.
- 1968

Goes public, trading on the over-the-counter market and using the proceeds from the IPO to fund its expansion. Becomes one of the first companies on the New York Stock Exchange chaired by a woman.
- 1989

Former Chief Scientific Officer, Dr. Myra O. Barker, is the first woman to receive the **Cosmetics Industry Buyers and Suppliers** award. The award is presented annually for leadership and service to the cosmetics industry.
- 1996

Selected by the International Women's Forum (IWF) as **one of nine corporations** that "have made an outstanding commitment to equality and progress for women." The forum honored the Company's "original corporate success model based on the individual empowerment of women and joy of entrepreneurship."
- 2012

Established the "Promoting Women to Join the Cultural Industry Development" project together with China Women's Development Foundation and the United Nations Development Programme, **supporting training for impoverished ethnic minorities**.
- 2019

Became a signatory of the **Women's Empowerment Principles**, established by the UN Global Compact and UN Women.
- 2020

Became an Action Coalition Commitment Maker on **five Generation Equality Action Coalitions**: Gender-Based Violence; Economic Justice & Rights; Feminist Action for Climate Justice; Feminist Movements & Leadership and Technology & Innovation for Gender Equality.
- 1992

Mary Kay Ash and former President of Mary Kay and Chairman of the Direct Selling Association (DSA) Dick Bartlett championed the adoption of the **90 Percent Repurchase** policy into the World DSA Code of Ethics in June 1992. Every DSA member company is now required to offer a 90 Percent Repurchase Policy.
- 2010

Ranked number one among all cosmetics brands in consumer loyalty according to the 2010 Brand Keys Customer Loyalty Engagement Index. Achieved the number 12 position on Brand Keys Top Loyalty Leaders List which ranks consumer loyalty among the 518 brands assessed. That list also includes other well-known brand names like Apple iPhone, Amazon and Google.
- 2021

Became a **signatory** of UN Global Compact's CEO Water Mandate and Sustainable Ocean Principles.

OUR PEOPLE



Mary Kay Ash with her two sons (Ben [L] and Richard [R]) and the first two employees at Mary Kay Inc., stand in front of the new headquarters building on August 13, 1964.

We are committed to our people through employee engagement through effective benefit and well-being programs and safety processes which demonstrate our company values and nurture our corporate culture.

Behind our welcoming doors are the people who embody the Mary Kay mission: Enrich Women's Lives. We invest heavily in **OUR PEOPLE**—because that's where our future lies. Innovative ideas, cutting-edge products, and the energy and imagination behind them all come from **our team** of nearly **4,500** dedicated professionals. Enriched by a range of backgrounds, we are **united by our mission**. We make sure everyone has the opportunity to make a **positive impact** at Mary Kay and in the communities, we touch around the world.

OUR PEOPLE

In our Decade of Action to achieve our sustainability commitments for our people, we are strategically investing in our employees by providing an attractive employee-focused culture and fostering an environment of belonging, success and professional growth.

Our Approach

We face new business challenges and opportunities every day—our company’s growing diversity; the dynamic nature of the multiple markets we serve; technological advances requiring new skill sets; and employee desires for a wide range of experiences and growth opportunities—the future of work is changing.

We are committed to our people, and how we support and nurture their professional development, and work-life balance. By delivering a compelling and strong eco-system of support for professional development, opportunities to give back, and work-life balance, we attract new talent, retain our high-performing team members, and keep our people engaged. We are focused on continuously improving the entire employee experience, from the first contact with a prospective hire, to growth opportunities during their Mary Kay career, to when they become a Mary Kay alumnus.

CORPORATE CULTURE & VALUES

- » Make Me Feel Important
- » Golden Rule
- » Go-Give Spirit
- » Balanced Priorities

TALENT DEVELOPMENT

- » Potential
- » Development
- » Engagement
- » Investment
- » Retention

HEALTH, WELL-BEING & SAFETY

- » Health Benefits
- » Well-Being
- » Safety





CORPORATE CULTURE & VALUES

Mary Kay Ash, our founder, firmly believed in treating everyone with respect. And nearly 60 years later, this is still foundational to our corporate culture. We believe an inclusive workplace, built on values that recognize the equal importance of every team member, is fundamental to a successful work environment.

Our corporate culture is our moral compass, and our values guide us on our journey, to do the right thing... ***always.***

MAKE ME FEEL IMPORTANT

How we make people feel matters. It's the core of our business, and it guides our actions large and small. Whomever we meet, inside the company or out, we have an opportunity to offer kindness and respect; to make people feel important, welcomed, appreciated; and to find ways to do beautiful things.

THE GOLDEN RULE

"Do unto others as you would have them do unto you" is a tried-and-true principle that serves as the foundation upon which our company was built. Mary Kay Ash believed that treating each other with mutual kindness and respect should not only be required, but naturally leads to a strong, fair and healthy work environment.

THE GO-GIVE SPIRIT

Giving elevates everyone. The real spirit of Mary Kay is the shared passion of our people to be part of something greater than our individual selves. To be of service to others. To see a need and fill it. To go out of our way – and then some – for those we can help. "Go-Give Spirit" was Mary Kay Ash's term for this selfless pursuit of the greater good.

BALANCED PRIORITIES

Balance means more than "time management." We recognize the importance of building a balanced life. In fact, Mary Kay Ash often shared her personal priorities of faith first, family second and career third. Following this tradition, encouraging employees to find the proper balance of priorities in their own lives has remained a vital part of our culture around the globe. At Mary Kay, we understand that a successful career is just one part of a balanced life.



TALENT DEVELOPMENT

In order to realize our mission, we aim to recruit people who are passionate about their work and are ***committed to creating an inclusive and sustainable society.***

We are a leading employer in our industry, with a global staff of nearly 4,500 supporting Independent Beauty Consultants. We reflect the societies and cultures in which we operate by providing opportunities for people of all backgrounds, gender, and nationalities. We believe diversity adds strength and balance to our workforce. It drives innovation and creativity which are key for growth thereby creating a competitive advance for Mary Kay in the marketplace.

We recognize that talent management is key to meeting our business and sustainability goals. Our commitment to develop and engage our talented professionals is reflected in a comprehensive approach. This includes our employee on-boarding initiative; a set of customized management training programs; a yearly performance cycle that embeds talent reviews and career discussions; and a culture of continuous learning, curiosity and discussion.

POTENTIAL

Hiring for high potential means looking forward utilizing your company's vision in targeted recruitment strategies. Selecting future employees who have the potential to grow is critical. From digital transformations to delivering a more sustainable future, high potential hires can help drive essential change and create growth.

ENGAGEMENT

Employee engagement is important to any organization, and we are no exception. Having effective employee engagement strategies in place helps create a better work culture, reduce staff turnover, increase productivity, build better work and customer relationships, and contribute to company profits.

BY THE NUMBERS:

Employee Engagement
2020: 77% (+12% over global average)
2021: 75% (+10% over global average)

DID YOU KNOW?

Supervisor-level and above employees are expected to complete **40 hours of leadership development** each year.

INVESTMENT

Investing in employee development creates opportunities for employees to feel excited about learning and growing here at Mary Kay. We go to great lengths to invest in our employees from technology and facility improvements, to training and development.

BY THE NUMBERS

10 Years of Service: Globally 39%; U.S. based 48%

RETENTION

Employee retention demonstrates the impact of a positive and nurturing company culture. While other brands struggle, we have a continuous strong track record of retaining employees of the highest quality. Our retention rate is closely tied to our emphasis on our inclusive corporate culture and values.



MARY KAY EXECUTIVE TEAM

We have 13 executives with an average tenure of 20.7 years, and over 270 combined years at Mary Kay. In addition, nine C-suite members have over 20 years each, and four C-Suite members started the same year and are known as “The Class of 1993.”



Sheryl Adkins-Green
Chief Experience Officer
Joined Mary Kay: 2009



Tara Eustace
President, Europe Region
Joined Mary Kay: 1993



Melinda Foster Sellers
Chief Human Resources Officer
Joined Mary Kay: 1993



Deborah Gibbins
Chief Operating Officer
Chief Financial Officer
Joined Mary Kay: 2013



Dr. Lucy Gildea
Chief Innovation Officer,
Product and Science
Joined Mary Kay: 2017



Chaun Harper
Chief Supply Chain Officer
Joined Mary Kay: 2014



David Holl
Chairman & CEO
Joined Mary Kay: 1993



Kregg Jodie
Chief Information Officer
Chief Information Security Officer
Joined Mary Kay: 1993



Nathan Moore
President, Global Sales
and Marketing
Joined Mary Kay: 1995



Ryan Rogers
Chief Investment Officer
Joined Mary Kay: 2000



Richard Rogers
Executive Chairman
Joined Mary Kay: 1963



Julia Simon
Chief Legal Officer &
Corporate Secretary
Chief Diversity Officer
Joined Mary Kay: 2000



Jose Smeke
President, LATAM Region
Joined Mary Kay: 1994



Wendy Wang
President, AP Region
Joined Mary Kay: 2002





HEALTH, WELL-BEING & SAFETY

Here at Mary Kay, we believe in taking care of our people with truly exceptional benefits that help our employees at work, home, and in retirement. We offer a robust menu of affordable healthcare benefits, a generous paid time away from the office allowance, training to enhance individual skills, and a culture of safety and well-being. We are committed to sharing our success with our employees.

HEALTH BENEFITS

We know health benefits can deliver a range of benefits to the company, such as increasing productivity, boosting morale, and helping shape a positive company culture.

WELL-BEING

We have a robust well-being program offering employees incentives, tools, social support, privacy, and strategies to adopt and maintain healthy behaviors.

SAFETY

The values on which we were founded include a commitment to take care of our people and are reflected in our safety culture. The safety of our employees is a top priority, a business imperative, and a critical aspect of our approach to sustainability.

HOW IT STARTED

In September 1963, with **\$5,000**, Mary Kay Ash joined by her 20-year-old son, Richard Rogers, launched Beauty by Mary Kay in a small **500-square-foot** office space in Dallas.



HOW IT'S GOING

Mary Kay has become a **multi-billion-dollar** company and is recognized as one of the world's leading beauty brands and operates in nearly **35 countries** and regions located on **four continents**, with **millions of Independent Beauty Consultants**.



DECADE OF ACTION 2020-2030

OUR PEOPLE

We are committed to our people through employee engagement by developing effective benefits and well-being programs to health and safety processes by demonstrating our company values and nurturing our corporate culture.

OUR APPROACH

- o Corporate Culture & Values
- o Talent Development
- o Health, Well-Being & Safety

OUR PROGRESS

2020 - 2022 Total

- o In 2021, scored 75% employee engagement, a 6% increase over the 2019 full engagement survey. (This is 10% over the global average for employee engagement.)

OUR BEGINNING: 2020

OUR ACCOMPLISHMENTS

- » 15 company awards in business excellence, social impact and sustainability.
- » 8 employer/great place to work awards.
- » David Holl, Chief Executive Officer, named "Community Leader of the Year" by EarthX.
- » Mary Kay Ash named on USA Today Women of The Century list.
- » Best Employers for Diversity ranking by Forbes magazine.
- » Kincentric Best Employers list for Mary Kay Czech Republic, Spain and Poland.
- » America's Best Mid-Sized Employers 2021 – Forbes.
- » In June, we shared our DEI Action Plan internally with employees. An internal report titled Introducing Diversity, Equity & Inclusion was distributed in October 2020.

OUR JOURNEY: 2021

- » 52 company awards in business excellence, social impact and sustainability.
- » 12 employer/great place to work awards.
- » Ranked one of America's Best Mid-Sized Employers 2021 by Forbes.
- » Wendy Wang was named President of Asia Pacific Region.
- » Business Insider selects "67 Powerful Black Women CEOs And Executives in Corporate America," and honored Julia Simon, Chief Legal and Corporate Secretary, and Chief Diversity Officer; and Sheryl Adkins-Green, Chief Marketing Officer.
- » Richard R. Rogers Manufacturing/R&D facility (R3), announced it passed its OSHA VPP Star Re-Certification with zero findings and recommendations.



OUR NOW: 2022

- » 38 company awards in business excellence, social impact and sustainability.
- » 13 employer/great place to work awards.
- » Ranked #8 on list of "The Companies Employees Don't Want to Leave," published by Resume.io.
- » Deloitte named Mary Kay Inc. one of the 2022 U.S. Best Managed Companies.
- » Received five top employer awards throughout the United States, Europe, and Malaysia from Kincentric.
- » Named one of America's Best Mid-size Employers 2022 by Forbes.
- » Deborah Gibbins, Chief Operating Officer, expanded her role in operations to support the company's digital strategy to be a more technology-enabled business with all IT functions reporting to her.
- » Nathan Moore was appointed as President, Global Sales and Marketing, and assumed responsibility for all Mary Kay markets around the world supporting Mary Kay independent beauty consultants.
- » Dr. Lucy Gildea expanded her role to Chief Innovation Officer, Product and Science. Her additional duties include new product development, product portfolio strategy and planning, process development & commercialization (PrD&C), package engineering (PE) and R&D Compliance.
- » Chaun Harper was named Chief Supply Chain Officer with additional responsibilities for direct procurement and contract manufacturing functions.
- » David Holl, CEO, received the Bravo Leadership Award from Direct Selling News.
- » Julia Simon, Chief Legal Officer and Corporate Secretary, received the Robert H. Dedman Award for Ethics & Law from the Texas General Counsel Forum.
- » David Holl, Sheryl Adkins-Green, and Julia Simon were selected as Dallas 500 by D CEO magazine recognizing influential leaders in North Texas.

OUR BEYOND: 2023-2030

Listening to OUR PEOPLE about what they want and need from their workplace helps teams and leaders foster a positive, safe and inclusive work environment. We are committed to engaging OUR PEOPLE, supporting the independent sales force, and local communities where we operate.



DIVERSITY, EQUITY & INCLUSION



When Mary Kay Ash started her business in 1963, her goal was clear: create a dream company that offered women an opportunity that had been denied by corporate America. Mary Kay designed a blueprint for women's success defying her era's gender norms at a time when barely a third of American women were in the workforce. She envisioned a company that treated people fairly, valued different perspectives, and where "thinking like a woman" would be considered an asset—**not a liability.**

We are committed to gain knowledge, demand action, and ensure sustainable, long-lasting change.



DIVERSITY, EQUITY & INCLUSION (DEI)



While the mission started with women in mind, Mary Kay Ash had heavily invested her time in nurturing company culture. At her company, everyone would be given the opportunity to rise while demonstrating their unique talents and desire for personal and professional growth.

Our Approach

We believe diversity is a strength which fosters innovation and growth. We strive to lead by our founding values and purpose. We celebrate and welcome diversity in all its forms, addressing inequities and cultivating an inclusive workplace and society.

We are committed to supporting DEI efforts and reaching our goal to gain knowledge, demand action, and ensure sustainable, long-lasting change.

○ DEI at MKI

- » Employee Training & Engagement
- » Diverse, Inclusive and Equitable Workplace
- » Diverse Product Portfolio
- » Supplier Diversity & Inclusive Procurement

○ ADVANCING DEI THROUGH COLLABORATIONS

- » Advancing entrepreneurial opportunities for women





DEI AT MKI

Internally, we are committed to advancing diversity and ensuring everyone has a voice in our company. We believe DEI is key to how we operate, and over the years we have taken concerted measures to integrate DEI as a core strategy to our business growth. As a global company we are intentional in how we provide space so that employees can bring their full selves to work in how they express and share different thoughts, experiences and perspectives.

“People are definitely a company’s greatest asset. It doesn’t make any difference whether the product is cars or cosmetics. A company is only as good as the people it keeps.”

~ Mary Kay Ash

EMPLOYEE TRAINING & ENGAGEMENT

How we make people feel matters. It’s the core of our business, and it guides our actions large and small. Whomever we meet, inside the company or out, we have an opportunity to offer kindness and respect; to make people feel important, welcomed, appreciated; and to find ways to do beautiful things.

Efforts include:

- » Education, training, and sharing of resources;
- » Special DEI events, including a DEI Summit;
- » The activation of DEI “Inclusion Allies”;
- » The Executive Team DEI Challenge;
- » Employee Resource Groups (ERGs)/Affinity Groups;
- » Inclusion Accountability Partnerships, and
- » The collection and dissemination of DEI metrics to monitor progress and hold ourselves accountable.

DIVERSE, INCLUSIVE AND EQUITABLE WORKPLACE

Research shows that an inclusive, diverse and equitable workplace makes companies more effective, more successful and more profitable. Diversity, for instance, is a key driver of innovation, and innovation is the key to growth. Studies also show that diverse companies develop more relevant products because they are more attuned to customer’s changing needs and this adaptability is a result of varying backgrounds and perspectives of employees which generate a range of insights, ideas and solutions.¹



INCLUSIVE WORKPLACE

We are committed to our people through employee engagement through, for instance, effective benefits and well-being programs, and health and safety processes which reflect our company values.

Our future lies in our people.

Helping them grow and contribute to their fullest potential starts with encouragement and positive support, backed by training and mentoring programs. We also support employees with more tangible rewards, such as a competitive benefits package and recognition for various achievements.

Some of the policies and practices that reflect our inclusive corporate culture include:

- » A **Non-Discrimination Policy** with respect to all employees and applicants for employment.
- » A **Policy of Equal Employment Opportunity**, including equal work opportunities for women.
- » A **Harassment Prevention Policy**, including a no tolerance position with regard to sexual or gender-based harassment and other Protected Categories and a policy outlining reporting procedures for such allegations for nearly four decades.
- » A robust **Pay and Benefits Policy**, including working conditions, and various forms of leave and vacation. For instance, in the U.S.A., we offer employees a robust menu of affordable medical, dental and vision benefits, life insurance, savings accounts for healthcare and dependent care, accidental death and dismemberment coverage, and a retirement savings plan that includes both a 401k and a generous profit-sharing program. This commitment to sharing our success is a cornerstone of our commitment to the people who enable our success.
- » Mary Kay Cares, our **Employee Assistance Program (EAP)**, assists employees with challenges such as mental health difficulties, substance misuse, marital problems, legal issues, financial concerns, and dependent care issues. Included is mental health and substance misuse treatment coverage.
- » Family has always been a priority to Mary Kay Ash and our company culture. In the U.S.A. we have a **Parental Leave Policy** which includes Maternity, Paternity and Adoption which is generally protected under the Family and Medical Leave Act. To support families who choose to adopt, Mary Kay reimburses up to \$2,000 to cover legal and adoption agency fees, and travel expenses.
- » We have a **Health and Safety Policy** as well as a policy prohibiting weapons in the workplace and provides protective services to ensure employee safety.
- » We comply with the **Americans with Disabilities Act (ADA)** and applicable state and local laws in ensuring equal opportunity and employment for qualified persons with disabilities.
- » We also keep mothers in mind. We provide a Mother's Room and other privacy considerations in most of our facilities for nursing mothers.

DIVERSE WORKPLACE

It's more than just make a commitment. It's taking our commitment and putting it into action. We are a company built on the foundation of empowering women. Leading by example and reflecting our belief in the value of increased women's representation and leadership in the workplace, we are putting our values and commitments into action.

Company Leadership*

*(Data from August 2022)

- » 62% Global Workforce are Women
- » 54% Executive Team are Women
- » 53% Vice Presidents and above are Women
- » 57% Directors and above are Women
- » 59% Managers and above are Women
- » 70% Market Leaders are Women
- » 60% Leaders in our Top 10 Markets are Women

In 2021, **Diverse Contract Labor** represented **24%** of our total Contract Labor spend.





EQUITABLE WORKPLACE

At its core, equity in the workplace is all about empowering employees to be their best—and we are committed. Creating an equitable workplace to ensure employees within Mary Kay have the same playing field, regardless of their ethnic background, country of origin, physical or mental ability, or gender or sexual orientation.

DEVELOPING A PIPELINE OF WOMEN LEADERS IN LATIN AMERICA (LATAM)

The Women's Leadership Development Program (WLDP) was created as a virtual program to equip women leaders in LATAM with the knowledge and skills to make a greater impact, have a stronger influence, and be ready to take on leadership roles.

The WLDP program kicked off in 2021 with a group of 22 leaders divided into 5 cohorts. Each group meets every other month for six sessions, and covers topics related to our core competencies. Each session includes a senior female executive as guest speaker and focuses on topics such as self-awareness, process improvement and agile thinking, leadership and coaching teams, and trust and building networks.

The small group sessions focus on learning and sharing best practices and are designed around the 70/20/10 learning model. In addition to the six small group sessions, the WLDP program includes a Leadership Series of additional seminars for all 22 leaders to attend together.

DEI AT MKI

EQUAL PAY FOR EQUAL WORK

The concepts of pay parity and pay equity are cornerstone workplace principles. According to research, women earn 77 cents for every dollar men earn for work of equal value, and it will take 151 years to see an end to this global gender pay gap. Equal pay is central to gender equality.²

We are committed to addressing the gender pay gap, and we support the creation of equal work opportunities for women, as well as opportunities for women to earn the pay they deserve.

DID YOU KNOW?

In 2021, Mary Kay released a position paper welcoming the **European Commission's Gender Equality Strategy for 2020-2025** which presented policy objectives and actions to make significant progress towards achieving gender equality by 2025. A key objective is **addressing** the global and regional gender pay and pension gap.

ZERO TOLERANCE AGAINST HARASSMENT IN THE WORKPLACE

Our DEI commitments also include addressing gender discrimination in the workplace.³ In the U.S. some estimates show that **34% of women** have experienced sexual harassment in the workplace. Unsafe work environments affect women's labor market outcomes, and critically result in adverse outcomes for women's health and well-being.

Conversely, ensuring safe workplaces for women increases their active participation in the economy which helps reduce poverty and increases GDP.⁴ The costs of sexual harassment in the workplace are extremely high, both for the individuals affected and for companies where it occurs.⁵

We take allegations of harassment very seriously and have had an anti-discrimination and all forms of harassment policy in the workplace for nearly four decades. This policy sets out Mary Kay's approach of zero-tolerance to harassment, provides information on the company's complaint and investigation procedures, and outlines the company's position on preventing retaliation and reprisals for making a report, amongst other issues.

DID YOU KNOW?

Mary Kay Brazil joined a business coalition to end gender-based violence with private sector partners Google, Sodexo, Walmart and IBM Brazil. Led by Avon Brazil and its nonprofit organization, Instituto Avon, this coalition is supported by UN Women and Dom Cabral Foundation. The coalition's goal is to engage private sector companies to combat violence against women and girls through adherence to the Women's Empowerment Principles, including the development and implementation of policies and procedures against sexual harassment in companies.

²UN Women, *Turning Promises into Action: Gender Equality in the 2030 Agenda for Sustainable Development* (New York, 2018). Available at: <https://www.unwomen.org/en/digital-library/publications/2018/2/gender-equality-in-the-2030-agenda-for-sustainable-development-2018>

³Harvard Business Review, (2019) *Ending Harassment at Work Requires an Intersectional Approach*. <https://hbr.org/2019/04/ending-harassment-at-work-requires-an-intersectional-approach>

⁴UN Women (2018). *Facts and Figures Economic Empowerment*. Available here: <https://www.unwomen.org/en/what-we-do/economic-empowerment/facts-and-figures>

⁵WE Empower G7 – WEPs Guidance Note: *Tackling Sexual Harassment in the Workplace*. Available here: <https://www.weps.org/sites/default/files/2020-09/FINAL%20WE%20EMPOWER%20G7%20-%20WE%20GUIDANCE%20NOTE%20-%20Tackling%20Sexual%20Harassment%20in%20the%20World%20of%20Work.pdf>



SUPPLIER DIVERSITY & INCLUSIVE PROCUREMENT

Globally, while one in three businesses are owned by women,⁶ women only win an estimated one percent of the global spend of large corporations.⁷ Women entrepreneurs face many obstacles including lack of access to capital on both domestic and international markets; fewer entrepreneurship networks compared with men; and policies that discourage female labor market participation.⁸ Unequal gender laws also hinder women's economic opportunity.

This is why supporting women entrepreneurs throughout our value chain is a corporate priority at Mary Kay. Our procurement value chain and policies embody our holistic—and inclusive—approach to focusing on the broader societal benefits of gender-responsive procurement (GRP) and supplier diversity by generating economic opportunity for under-represented and traditionally excluded communities.

DID YOU KNOW?

Globally, nearly **2.4 billion** women of working age still do not have the same economic rights as men.¹

We believe that supplier diversity and creating economic opportunities for women and minority groups are good for business. We believe diversity drives innovation and creativity and creates a competitive advantage for Mary Kay in the marketplace. However, we also believe that the benefits of GRP go beyond just business. They also make a tangible impact on local economic development and strengthen communities.

DIVERSE PRODUCT PORTFOLIO

In our global product portfolio, we currently offer more than 80 different foundations—in a broad range of shades and finishes—to best match the beautiful spectrum of diverse skin tones. We are committed to diversity, inclusive and equitable representation in marketing and advertising, and we believe they are powerful drivers for advancing gender equality.

DID YOU KNOW?

In 1994, Mary Kay was one of the **first** cosmetics companies to have an **exclusive contract** with an African American model—*Garcelle Beauvais*—following Veronica Webb for Revlon in 1992.



In 2020, we completed a third-party Business **Verification and Diversity Data report** to inform our current supply chain involving Women, Minority or Veteran Owned businesses (*U.S.A. only supply chain data from February 2021*):

- » **12%** of our Indirect Suppliers are Women, Minority or Veteran-Owned
- » **5%** of our Direct Suppliers are Women, Minority or Veteran-Owned



⁶World Bank. 2020. Enterprise Surveys, World Bank Gender Data Portal. <https://www.worldbank.org/en/data/datatopics/gender>

⁷Vazquez, E.A. and A.J. Sherman. 2013. *Buying for Impact: How to Buy from Women and Change the World*. Charleston, USA: Advantage.

⁸European Commission & OECD Policy Brief on Women's Entrepreneurship. 2017. <https://www.oecd.org/cfe/smes/Policy-Brief-on-Women-s-Entrepreneurship.pdf>.



ADVANCING DEI THROUGH COLLABORATIONS

We know the fight for equality stretches beyond our walls which is why we support efforts in our communities to combat racial and gender disparities. Through our external partnerships and collaborations, we are committed to addressing discrimination recognizing the distinct challenges faced by traditionally marginalized groups. This is why we pursue an intersectional approach to our external support focused on addressing gender and racial disparities.

With our partners we are developing collaborative multi-stakeholder global and local partnerships to advance research, policy, programs and services that address the barriers to gender and racial equality with a strong focus on developing pathways to economic and educational opportunities for traditionally under-served and under-represented communities. We also recognize the increasing role of emerging technologies in our lives and how they can pose significant threats to diversity and inclusion.



ENTREPRENEURIAL OPPORTUNITIES FOR WOMEN

Women make enormous contributions to their local and national economies. However, because of their unequal status in society, progress in advancing women's economic opportunity remains a challenge. In the aftermath of the COVID-19 pandemic, women are leaving the labor force at a higher rate than men because of structural challenges to their participation, and women shoulder an increased burden of unpaid care and domestic work. Furthermore, women continue to face barriers to knowledge and resources for economic advancement which often leads to insecure, low-wage jobs, and remain underrepresented in senior positions and leadership roles, including in the private sector.

Helping women entrepreneurs overcome the structural and cultural barriers they face is a corporate priority at Mary Kay. We believe we must invest in and empower women as entrepreneurs to realize the full benefits of women's economic participation not just on the economy and on businesses but on society at large.



DECADE OF ACTION 2020-2030

DIVERSITY, EQUITY & INCLUSION

We are committed to gain knowledge, demand action, and ensure sustainable, long-lasting change.

OUR APPROACH

- o DEI at MKI
- o Advancing DEI through Collaborations

OUR PROGRESS

2020-2022 Total

- o Knowledge: Internal Training
- o Action: 192 partnerships
- o Change: 198 programs supported

OUR BEGINNING: 2020

2020 DATA*

Gender Diversity/Leadership:

- » Global Workforce: 61% Female
- » Exec Team: 50% Female
- » VPs and above: 52% Female
- » Directors and above: 59% Female
- » Managers and above: 58% Female
- » Market Leaders: 64% Female
- » Top 10 markets: 60% Female

*June 2020

OUR JOURNEY: 2021

- » Harvard Business School published a case study titled “Mary Kay Ash: Changing the World” (121-046) - authored by Robert Simons and Shirley Sun. It “...describes the rise of Mary Kay [Ash], the founder of the worldwide cosmetics company. As a young, single mother, Mary Kay had to overcome many obstacles to start her business and guide it to success... Students will learn how Mary Kay navigated life’s choices to leave a lasting impact on the world.”
- » In collaboration with Equal Rights Trust, announced research to address gendered impacts of artificial intelligence (AI).
- » 100% of U.S.-based Directors and above completed mandatory Unconscious Bias training.
- » Announced its second World Series of Innovation (WSI) Challenge in partnership with Network for Teaching Entrepreneurship (NFTE). Mary Kay’s World Series of Innovation



OUR NOW: 2022

- » Joined the UN Global Compact Target Gender Equality Accelerator Program to deepen implementation of the Women’s Empowerment Principles.
- » Through its partnership with the Equal Rights Trust, helped jumpstart the “Algorithmic Discrimination Initiative”, a new research and advocacy programme which aims to gather evidence on patterns of discrimination arising from the use of artificial intelligence and algorithmic decision-making systems and make the case for a proactive, pre-emptory and precautionary approach to addressing the discriminatory impacts of these technologies.
- » Released a Diversity, Equity and Inclusion (DEI) statement celebrating Global Diversity Awareness Month and hosted a Diversity, Equity and Inclusion Summit in conjunction with World Inclusion Day.
- » Hosted first-ever Diversity, Equity, and Inclusion summit at global headquarters.

2022 DATA*

Gender Diversity/Leadership:

- » Global Workforce: 62% Female
- » Exec Team: 54% Female
- » VPs and above: 53% Female
- » Directors and above: 57% Female
- » Managers and above: 59% Female
- » Market Leaders: 70% Female
- » Top 10 markets: 60% Female

*August 2022

2021 DATA*

Gender Diversity/Leadership:

- » Global Workforce: 61% Female
- » Exec Team: 54% Female
- » VPs and above: 54% Female
- » Directors and above: 59% Female
- » Managers and above: 58% Female
- » Market Leaders: 64% Female
- » Top 10 markets: 60% Female

*March 2021

OUR BEYOND: 2023-2030

As we continue our 10-year Sustainability Strategy, we are **COMMITTED** to our holistic approach to DEI and centering around three fundamental actions: **KNOWLEDGE, ACTION, AND CHANGE.**



OUR ACCOMPLISHMENTS

- » Founding member of the The National Racial Equity Initiative for Criminal Justice to advance research in the context of criminal justice reform.
- » Co-hosted a Resilient Indigenous Leaders Network, which brought 14 leaders from the Great Bear region of Canada to focus on building personal resilience and sustainability.
- » Appointed executive team member Julia A. Simon as Chief Diversity & Inclusion Officer and launched global DEI initiatives.
- » Launched first-ever Madam C.J. Walker Scholarship Program through the Society of Cosmetic Chemists (SCC) to award two scholarships in 2021 to underrepresented minorities pursuing a degree in certain science-related fields.

TRANSPARENCY & ADVOCACY



Since our founding in 1963, we aim to consider not only profits, but doing business the right way – **no matter what**. We take great pride in the fact that our deep-rooted values of **transparency, honesty and accountability** have always been the driving force for growth and success. **And we will never compromise our values.**

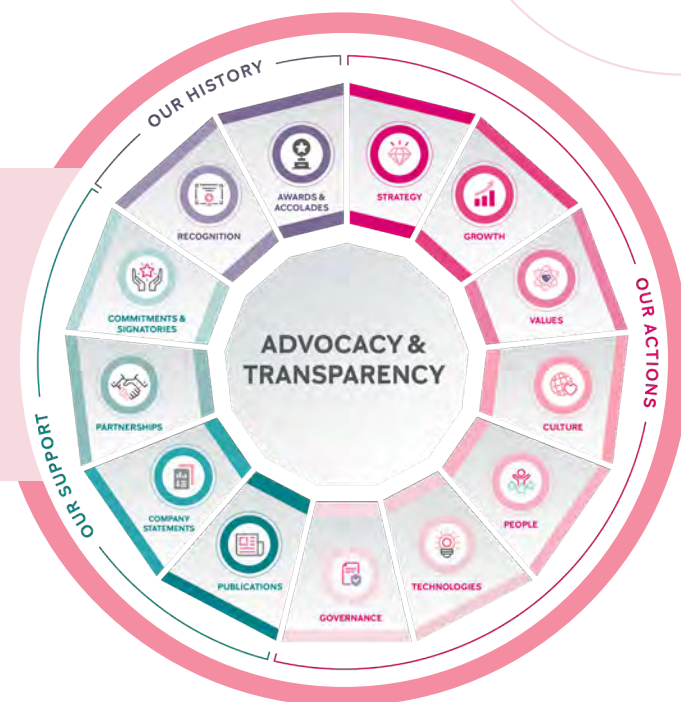
We are committed to transparency & advocacy through sustainable practices, and to be open, honest and transparent by making information available on our owned media channels, independent audits, and meeting guidelines set forth by organizations as agreed in our sustainability commitments.



TRANSPARENCY & ADVOCACY

Over the last few decades rapid advances in processes to collect, monitor, disclose and disseminate information have contributed towards the development of entirely new modes of sustainability governance regarding advocacy and transparency. We know advocacy and transparency can provide a clearer understanding about our business, affirm our active participation and hold us accountable to the values we live by.

Our Approach



STRATEGY

As we focus on the long term, we aim to implement agile, innovative, and inclusive strategies for sustainable growth of our business now and in the future, and we are ever striving to align our business practices with environmental and social responsibility. Our talented employees are central to ensuring this strategic alignment and do so by building partnerships based on our values of trust, ethics, and transparency. We collaborate with our many stakeholders to help us reach our strategic goals. And the millions of Mary Kay Independent Beauty Consultants who promote entrepreneurship and women's empowerment around the world inspire us to enrich the lives of future generations in every community we touch.

GROWTH

We are a direct sales company, which means our products are sold wholesale to Independent Beauty Consultants ("IBCs"), who, in turn, sell the products at a retail price to their customers, person-to-person, away from a fixed retail location. Each IBC is her own boss and sets her own schedule.

According to data published by Euromonitor in 2021, the Direct Selling industry thrives in many parts of the world, particularly Latin America which includes 2 of our top 5 markets—Brazil and Mexico.

We are a multi-billion-dollar company and are recognized as one of the world's leading beauty brands in nearly 35 countries and regions located on four continents, with millions of independent beauty consultants.

Today, we continue to promote inclusive and sustainable economic growth, and employment.



Our Actions

PEOPLE



We know human assets, not the fixed or tangible assets, differentiate an organization from its competitors. We empower employees by nurturing creativity and innovation in the workplace.



VALUES



We believe in a larger purpose: helping others to achieve their dreams. From supporting the Independent Beauty Consultants to providing opportunities for employees to achieve their full potential, our actions are always based on our values. These values—Go-Give® Spirit, Golden Rule, Make Me Feel Important and Balance Priorities—are not just words we wear on our badges. They are the principles we follow every day to make Mary Kay a great place to work.

CULTURE



Our corporate culture is our moral compass, and our values guide us on our journey, to do the right thing...always.

TECHNOLOGIES

Innovation is everywhere at Mary Kay. One of our Company Values is the “Go-Give Spirit”, which Mary Kay Ash defined as the selfless pursuit of the greater good, a dynamic team spirit of helping others make things better. That spirit permeates all levels of the organization and fuels a culture of innovation.

- » **Consumer Innovation & Tools**—We aim to make our Independent Beauty Consultants feel important by providing tools that meet HER where SHE is and help HER meet her customers where they are.
- » **Innovation Partnerships**—The best innovation teams don’t work alone. By collaborating with smart organizations of all sizes, we are able to drive productivity gains both for our customers and our employees.



GOVERNANCE

We recognize ethics as the cornerstone of any good business, and maintaining ethical practices is a top priority. Since the company's founding, we aim to consider not only profits, but doing business the right way. The way in which this company has thrived is proof-positive that values can be used as a roadmap to success and that an ethical environment can exist at all levels of our business structure.

Mary Kay Ash laid down a virtuous foundation when she started offering opportunities to women, which built and solidified our reputation as a business governed by ethics, integrity, and service to others.



COMPANY PROGRAMS

PINK DONE RIGHT

We are firmly committed to always doing the right thing. To reinforce this guiding principle, the Pink Done Right Program was established to demonstrate and highlight the core ethical values that our operations worldwide are built upon.

When an employee isn't sure what the right thing is to do, he or she is instructed to talk to his or her supervisor, department or division leadership, Human Resources, or the Legal Department. In addition, employees can report suspected violations of our policies and guidelines anonymously 24 hours a day, 7 days a week via the Pink Ethics Platform.

PINK ETHICS PLATFORM

Should employees choose to report a concern anonymously, they may do so in confidence via the Mary Kay Pink Ethics Platform (hosted by a third-party provider). Employees may visit this website or call the Mary Kay Pink Ethics Platform at any time to report suspected violations of law, policies and guidelines in the Mary Kay Employee Handbook, or any other related policies, and follow up on a report. All credible reports of suspected misconduct will be investigated fairly, thoroughly, and discreetly, and appropriate corrective action will be taken, as warranted.

COMPANY PROGRAMS

IT/CYBERSECURITY: SECURE THE DREAM

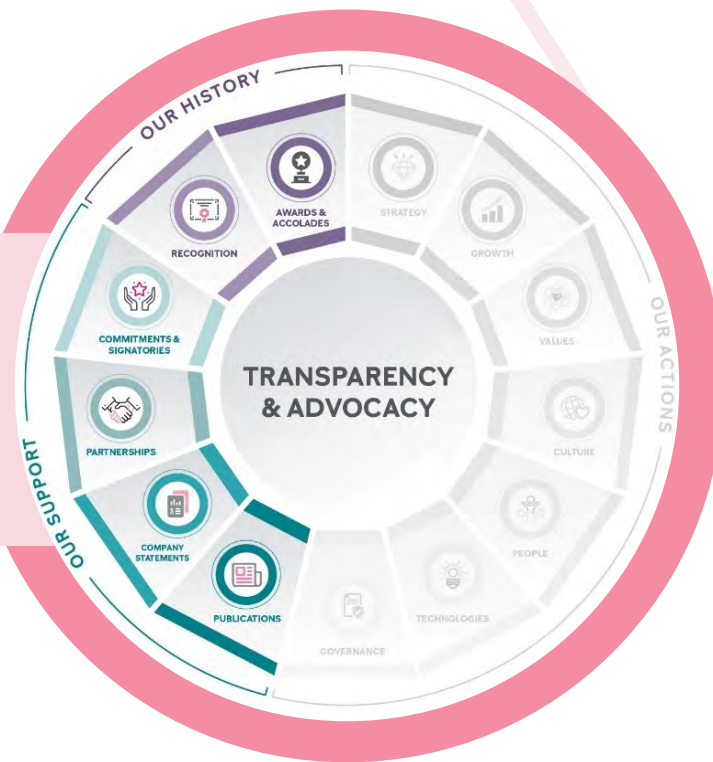
Safeguarding data and privacy is essential to building trust, and we don't take responsibility lightly. We have a dedicated information security team vigilantly detecting and blocking attacks from cyber criminals. As we continue to evolve our privacy practices and policies, employee trainings and engagement are critical components to building awareness around cybersecurity and ensuring data is always protected.

RECORDS MANAGEMENT

The Records Management Policy is to promote economy, consistency and efficiency in the creation, organization, maintenance, retention, use, and disposition of all Mary Kay corporate Records. This policy is intended to comply with statutory obligations and to advance the business needs of the Company.



Our History Our Support



Our History

AWARDS & ACCOLADES

Over the years, we have won numerous corporate awards honoring our employees, leadership, sales force, technology and social impact efforts. And twenty years after her death, our founder, Mary Kay Ash, is still being recognized for her amazing accomplishments.



We are **committed** to building trust through transparency and active support of causes and **organizations that matter for women** and the communities we touch.

PUBLICATIONS

We produce and then distribute through its owned-media platforms various publications demonstrating our integrity; accountability; and responsibility for our sustainability commitments to a myriad of key stakeholders.



RECOGNITION

For nearly 60 years we have been recognized for our philanthropic efforts. Within the pages of this report, you will find the many times we have been recognized for our commitment to sustainability and philanthropy.



PARTNERSHIPS

We are conscious that we cannot act alone to address the magnitude of the current challenges. We're helping move our industry forward. That's why we've joined forces to participate in transforming our industry, and we're forging external partnerships with multiple stakeholders, including NGOs, corporate organizations, and suppliers. The more persistent we are in taking action, the more all our initiatives, placed side by side, contribute to making a tangible positive difference.

MARY KAY

In support of

WOMEN'S EMPOWERMENT PRINCIPLES

Established by UN Women and the UN Global Compact Office



COMMITMENTS & SIGNATORIES

Our commitment to social impact and sustainability are aligned with our support for key international legal conventions, our efforts are also reflective of normative standards and frameworks, alignment to the Sustainable Development Goals (SDGs), and the three dimensions of sustainability (economic, environmental and social). We believe these frameworks and standards are key to achieve a better, more inclusive and sustainable future, and we implement them through our company’s mission, business model and external partnerships and collaborations.



Economic Sustainability

United Nations Global Compact (UNGC) 10 Principles

The UN Global Compact’s Ten Principles in the areas of human rights, labour, the environment and anti-corruption enjoy universal consensus and are derived from the following:

- Universal Declaration of Human Rights
- ILO Declaration on Fundamental Principles and Rights at Work
- Rio Declaration on Environment and Development
- United Nations Convention Against Corruption

STATUS:
Signatory
JOINED:
August 2019

UN Guiding Principles on Business and Human Rights.

The UN Guiding Principles on Business and Human Rights are a set of guidelines for States and companies to prevent, address and remedy human rights abuses committed in business operations. Under the UNGPs, companies should: express their commitment to respect human rights through a policy statement; conduct human rights due diligence; and remediate negative impacts they have caused or contributed to.

STATUS:
Supporting

UN Universal Declaration of Human Rights

The Human Rights Principles (Principles 1 and 2) of the UN Global Compact are derived from the Universal Declaration of Human Rights.

STATUS:
Supporting





Environmental Sustainability

CEO Water Mandate

The CEO Water Mandate is a UN Global Compact initiative that mobilizes business leaders on water, sanitation, and the Sustainable Development Goals.

STATUS:
Signatory
JOINED:
Feb 2021

Sustainable Ocean Principles

The Sustainable Ocean Principles, produced in consultation with over 300 stakeholders, provide a framework for responsible business practices across sectors and geographies. They build upon and supplement the Ten Principles of the United Nations Global Compact on human rights, labour, environment and anti-corruption.

STATUS:
Signatory
JOINED:
Feb 2021

UN Global Compact’s Ocean Stewardship Coalition . . .

The ocean has a key role to play in transitioning to a net-zero, resilient and equitable economy, and delivering on the entire 2030 Agenda for Sustainable Development. The global business community has a shared responsibility, to take necessary action to secure a healthy ocean.

STATUS:
Member
JOINED:
Aug 2022

The Sustainable Packaging Initiative for CosmEtics (SPICE)

The Sustainable Packaging Initiative for CosmEtics — SPICE — is an initiative that brings together organizations in the cosmetics industry to work towards a common goal: to collectively shape the future of sustainable packaging. Corporate Members take an active role in decisions when setting common definitions and assessment methods.

STATUS:
Member
JOINED:
2020

Ellen MacArthur Foundation Network | New Plastics Economy Global Commitment

The Global Commitment is led by the Ellen MacArthur Foundation, in collaboration with the UN Environment Programme. Through the Global Commitment, businesses and governments commit to change how we produce, use, and reuse plastic.

STATUS:
Member
JOINED:
2021





Social Sustainability

Women’s Empowerment Principles

The Women’s Empowerment Principles (WEPs) are a set of Principles offering guidance to business on how to promote gender equality and women’s empowerment in the workplace, marketplace and community. Established by UN Global Compact and UN Women, the WEPs are informed by international labour and human rights standards and grounded in the recognition that businesses have a stake in, and a responsibility for, gender equality and women’s empowerment. Business practices that empower women include equal pay for work of equal value, gender-responsive supply chain practices and zero tolerance against sexual harassment in the workplace.

STATUS:
Signatory
JOINED:
Feb 2019

Reykjavik Global Forum | Achieving Gender Equality in Entrepreneurship

A positive actionable pledge initiates progress. The Reykjavík Global Forum encourages the use of The Conversationist Pledge to ensure that we walk the talk, walk the Forum’s conversation: to increase the action and subsequent positive change that comes from the Forum.

STATUS:
Commitment
JOINED:
Nov 2019

UN Global Compact Target Gender Equality Accelerator Program

Target Gender Equality is an accelerator program focused on supporting companies participating in the United Nations Global Compact in setting and meeting ambitious corporate targets to advance gender equality. This initiative is run in collaboration with Global Compact Local Networks. Companies participating in Target Gender Equality have the opportunity to deepen implementation of the Women’s Empowerment Principles and strengthen their contribution to Sustainable Development Goal 5.5, which calls for equal women representation, participation and leadership in businesses globally. Companies are equipped with the latest data and research supporting the business case for gender equality and gain insights from UN partners and experts on how to accelerate progress on gender equality.

STATUS:
Commitment
JOINED:
June 2021

Generation Equality Forum Global Action Coalitions

The Generation Equality Forum Action Coalitions are the world’s roadmap for gender equality. These innovative, multi-stakeholder partnerships are focused on the most critical areas in gender equality to achieve concrete change for women and girls worldwide. Each Action Coalition has identified a limited set of concrete Actions viewed as the most catalytic to catapult progress on gender equality. These actions—if implemented and fully funded—can lead to lasting and transformative change.

- Economic Justice and Rights
- Feminist Action for Climate Justice
- Technology and Innovation for Gender Equality
- Feminist Movements and Leadership
- Gender-based Violence

STATUS:
Commitment
JOINED:
June 2021

International Conventions, Normative Standards & Frameworks:

- The Convention on the Elimination of All Forms of Discrimination Against Women (1979), and its General Recommendation No. 35 on Gender-based Violence Against Women (2017) .
- The International Covenant on Economic, Social and Cultural Rights (1966), and its General Comment No. 23 on the Right to Just and Favorable Conditions of Work (2016)
- The International Labour Organization Convention No.190 (2019) and its accompanying Recommendation Concerning the Elimination of Violence and Harassment in the World of Work, 2019 (No. 206)
- The Council of Europe Convention on Preventing and Combating Violence against Women and Domestic Violence, also known as the Istanbul Convention (2011) (Council of Europe regional Convention)
- The United Nations General Assembly bi-annual resolutions on violence against women, including its Resolution on the Intensification of efforts to prevent and eliminate all forms of violence against women and girls: Sexual Harassment (2018)
- The 1995 Beijing Declaration and Platform for Action

STATUS:
Supporting
JOINED:
2020



DECADE OF ACTION 2020-2030

TRANSPARENCY & ADVOCACY

We are committed to advocacy & transparency through sustainable practices, and to be open, honest and transparent by making information available on our owned media channels, independent audits, and meeting guidelines set forth by organizations as agreed in our sustainability commitments.

OUR PROGRESS

2020-2022 Total

- o Transparency: 24
5 reports supported/issued annually
- o Advocacy: 14
3 reports supported/issued annually

OUR BEGINNING: 2020

» Announced alignment to the UN Universal Declaration of Human Rights, UN Guiding Principles on Business and Human Rights, and International Labour Organization (ILO) Fundamental Conventions. In 2019, became a signatory of the United Nations Global Compact (UNGC) 10 Principles.

OUR APPROACH

- o Our History
- o Our Actions
- o Our Support



OUR NOW: 2022

- » In January, released our 2021 Year-End Highlights Report highlighting its 58 awards and recognition honors, and our efforts in social impact and sustainability throughout the year.
- » Submitted survey on implementation of commitments across Generation Equality Action Coalitions; findings reflected in UN Women’s Generation Equality Accountability Report 2022.
- » Submitted second UN Global Compact Communication on Progress.
- » Developed by UN Women in support of Women’s Entrepreneurship Accelerator and powered by Mary Kay, the Gender-Responsive Procurement Advocacy Brief highlights the rollback on progress in achieving gender equality as a result of the COVID-19 pandemic, as well as how increasing levels of economic insecurity, supply chain interruptions and unprecedented climate and environmental shocks have a disproportionate impact on women given their unequal position in society.
- » Published “Piloting SDG Localization at the Village Level: a Women-focused Poverty Reduction and Sustainable Development Project in Yunnan Province, China.” Impact Report (Phase 1: 2017-2021). The report highlights the genesis, means of implementation and outcomes of the project advanced through a multi-stakeholder supported development process.
- » International Labour Organization (ILO) and the Women’s Entrepreneurship Accelerator released a Women Entrepreneurship Development (WED) Assessment in Mexico powered by Mary Kay, titled “Evaluación de las condiciones marco para el desarrollo empresarial de la mujer, Sectores de comercio e industria en la Ciudad de México.”

OUR JOURNEY: 2021

- » Submitted first UN Global Compact Communication on Progress (2020-21) highlighting progress in the following areas: Governance, Human Rights, Labor, Environment, and Anti-Corruption.
- » Distributed an internal report detailing our Global Response & Support for COVID-19 Relief Efforts in April 2021.
- » In September, announced our new sustainability strategy, Enriching Lives Today for a Sustainable Tomorrow, including a 2020-21 Sustainability & Social Impact Strategic Summary Report.
- » In October, the Mary Kay Ash Foundation (U.S.A.) launched several reports, including its 25th Anniversary Report, MKAF 25th Anniversary Cancer Research Grant Impact Report and 2020 COVID-19 MKAF Domestic Violence Shelter Response Report.
- » Released a position paper welcoming the European Commission’s Gender Equality Strategy for 2020 – 2025 and joined five of the Generation Equality Global Action Coalitions.
- » In collaboration with UN Women, ILO & WE Empower, re-released, “Strengthening Support for Women Entrepreneurs in COVID-19 Response and Recovery” at the Commission on the Status of Women (CSW65).



OUR BEYOND: 2023-2030

There is no finish line, just an **ASPIRATION** to conduct our business in ways that will continue to earn trust and redefine our role in **SOCIAL IMPACT AND SUSTAINABILITY**.

OUR ACCOMPLISHMENTS

ENVIRONMENTAL SUSTAINABILITY

Our environmental journey started long before it became a mainstay in corporate social responsibility. We first started using solar energy in 1980; we started focusing on refillable packing by 1986; and in 1989 we started a corporate recycling program. ***Our environmental consciousness has only grown stronger to ensure a healthy planet for future generations.***



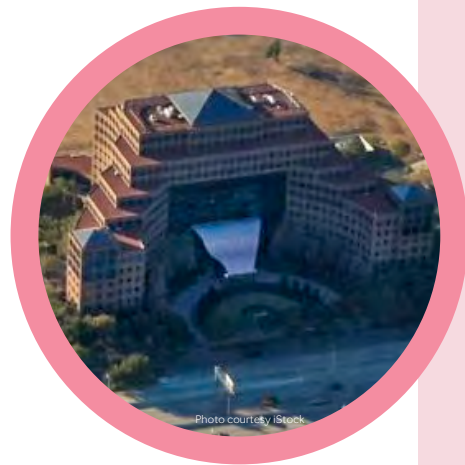
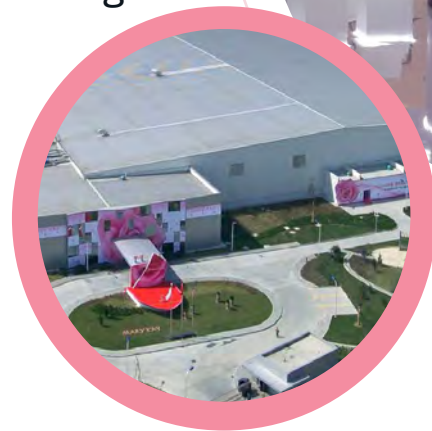
ENRICHING LIVES TODAY
FOR A SUSTAINABLE TOMORROW



OUR OPERATIONS

Beauty company. Direct Seller. Manufacturer. Innovation.

Distributor. Women's Empowerment. Philanthropy. Whatever 'hat' we wear, we are committed to wearing it well. From our state-of-the-art manufacturing and research & development facilities, and regional distribution centers, to beauty centers and market satellite offices around the world, along with the preservation of our historic brand, Mary Kay's operations are about our unwavering commitment to excellence.



Our global footprint is vast

and drives our holistic approach especially within our operations in raising the bar as a **world-class operation**. We are focused on efficient global operation by **reducing our environmental impact** and identifying opportunities for **resource improvement**.

Areas in our global operations include:

HEADQUARTERS

Our global headquarters is located in Addison, Texas, U.S.A. In addition, its footprint includes two state-of-the-art manufacturing and research & development facilities, distribution centers, beauty centers, and market satellite offices around the world.

MANUFACTURING/R&D

We have invested over \$250 million in our two state-of-the-art manufacturing facilities in Lewisville, Texas, U.S.A. and Hangzhou, China. The Research and Development team conducts thousands of tests each year to ensure products meet the highest standards of quality, safety, and performance. We design performance, safety, and quality into all our products. Each product meets or exceeds stringent government regulations.

DISTRIBUTION

Mary Kay products made in the U.S.A., enter the distribution system when they are moved to the automated storage/retrieval system (ASRS) corporate warehouse located in Dallas, Texas (U.S.A.). The building has 182,000 square feet, sits on 10.5 acres of land and feature 20 Automated Guided Vehicles, which use radio frequency waves to communicate through a local area network to the automated Equipment Control System resident at the Mary Kay Building.

INTERNATIONAL

We took our first global step by opening an international subsidiary in Asia-Pacific in 1971, and today are in nearly 35 countries.

EXHIBITION

The Mary Kay® Museum is located on the ground floor at Mary Kay Inc.'s world headquarters in Addison, Texas, U.S.A. (a suburb north of Dallas). It is open to the public for visits and tours. The museum boasts 3,500 square feet of display space, helping preserve the Company's history and promoting the heritage and legacy of Mary Kay Ash and the company she built.

OUR OPERATIONS

GLOBAL HEADQUARTERS GLOBAL MANUFACTURING GLOBAL DISTRIBUTION GLOBAL MARY KAY MARKETS MUSEUM



GLOBAL HEADQUARTERS

*The Mary Kay Building (TMKB)
16251 Dallas Parkway, Addison, Texas (U.S.A.)*

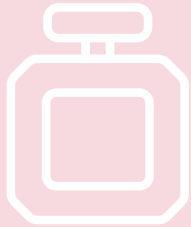
Mary Kay's first headquarters was located inside an office complex named Exchange Park in Dallas, Texas, and was just over **500 square feet**. Today, the global headquarters is located in Addison, Texas (U.S.A.) and is known as the Mary Kay Building.

The building is nearly **600,000 square feet** and is situated on **34 acres of land**. In addition, there are **13 floors, 13 passenger elevators**, a **20,000-square-**

foot dining facility, two atriums, a four-level underground parking garage (1,100 spaces), 300 street-level parking spaces, and 1,050 windows.

Today, the Mary Kay Global Headquarters serves as home to more than **1,200 employees**, features a full-service restaurant, fitness center, an on-site health clinic, and the Mary Kay Museum—which pays tribute to the life of Mary Kay Ash.

The shell structure was built by a large savings and loan corporation in 1987. The interior was designed and finished by Mary Kay Inc. There is a large, walk-in vault on the first-floor lobby level that was included in the foundation of the building, but was of no use to Mary Kay Inc. The vault was left in place because of the high cost to remove it.



The executive conference room takes its shape from a **perfume bottle**; Mary Kay's private reception area is shaped like the historic **compact**, and entrances to private offices are in pairs under arches that look like **eyebrows**.

599,000 Square Feet

*1,300
tons of granite*



The street running under the building was originally named Liberty Drive but **was later re-named Mary Kay Way**.

13

MARY KAY ASH'S
FAVORITE NUMBER

The Company was founded on Friday, September **13**, 1963. The Mary Kay Building has **13 floors** and **13 passenger elevators**.



*1,050
windows*

The west atrium is **170 FEET HIGH** and has a volume of **2,000,000** cubic feet

Situated on 34 acres of land



ROOM FOR
MORE THAN
1,200
CORPORATE
EMPLOYEES

TWO ATRIUMS ON
— 9th & 13th stories —

The Mary Kay Building features over **4 acres of glass** and over **3 acres of granite**.

300 street-level
parking spaces



**TOBACCO
FREE
CAMPUS**



*20,000
square-foot
dining facility*

20 minutes
from downtown Dallas
or Love Field Airport
and Richard R. Rogers
Manufacturing and
R&D facility.



OUR OPERATIONS

GLOBAL HEADQUARTERS **GLOBAL MANUFACTURING** GLOBAL DISTRIBUTION GLOBAL MARY KAY MARKETS MUSEUM



GLOBAL MANUFACTURING

Richard R. Rogers Manufacturing/R&D Center (R3)
2613 Denton Tap Road, Lewisville, Texas (U.S.A.)

The Richard R. Rogers Manufacturing and Research and Development Facility was unveiled in **2018**. The LEED certified structure is an investment of more than **\$100 million** and showcases our commitment to social responsibility. Located in Lewisville, Texas, the **453,000-square-foot** building features

state-of-the-art R&D laboratories (roughly 41,000 square feet) and cutting-edge manufacturing technology. R3 has **21 different product-packaging lines** and produces up to **1.1 million products** per day, of which **57 percent** are exported to Mary Kay's international markets.

R3
QUICK FACTS

ZERO
WASTE

In 2011, Mary Kay's Dallas manufacturing R&D facility achieved
ZERO LANDFILL WASTE STATUS



Facility located within *one-quarter-mile* walking distance of **one or more stops** for **two or more public, campus or private bus lines** usable by building occupants.



In 2019, Richard R. Rogers (R3) Manufacturing/R&D Center received the **Leadership in Energy and Environmental Design (LEED) 2019 Silver Certification**.

In 2016, September 13, **exactly 53 years to the day** after Mary Kay Ash launched her dream company from a small Dallas store front, Mary Kay Inc. breaks ground on a **new 455,000-square-foot** U.S.-based global manufacturing and research and development facility located on a **28.6-acre** plot of land in Lewisville, Texas.



Energy cost savings of **13.48%** by implementing strategies such as **energy efficient lighting, thermal controls, and purchasing renewable energy** for

100%
of electricity consumed through 2021.



100%
of the weighted building roof surface has **Solar Reflectance Index (SRI) of 95**.



The facility has reduced potable water use by

33.96%,
which saves approximately
913,480 GALLONS
of potable water per year.

OUR OPERATIONS

GLOBAL HEADQUARTERS GLOBAL MANUFACTURING **GLOBAL DISTRIBUTION** GLOBAL MARY KAY MARKETS MUSEUM



GLOBAL DISTRIBUTION

Mary Kay Automated Storage and Retrieval Systems (ASRS)
2213 Connector Drive, Dallas Texas (U.S.A.)

In 1963, the Mary Kay distribution system began as a **small operation**. Working out of a **500-square-foot storefront**, Mary Kay's son Richard Rogers personally filled each order and ensured timely delivery to the independent sales force.

Today, the Mary Kay distribution system is driven by a commitment to customer service and focuses on delivering through its **innovative facility** with the following department functions: Transportation, Distribution Assembly, Warehouse, Maintenance, Inventory Control, and Metro Shuttle.

The core of the distribution system is technology. ASRS has **20 Automated Guided Vehicles**, referred to as robots, which use radio frequency waves to communicate through a local area network to the automated Equipment Control System resident at the Mary Kay Building. Each Robot is capable of a maximum speed of **197 feet per minute** and is equipped with microcomputer processor control technology. ASRS has **17 fully automatic** battery charging stations for the robots.

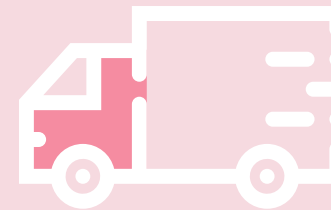
56

Number of employees at ASRS as of 2022

Each robot is capable of a maximum speed of
197 ft per minute and is equipped with microcomputer processor control technology.

182,000 Square Feet

SHIPPING AND LOGISTICS



700 inbound pallets per day
92 pallet stores per hour
71 pallet retrieves per hour
300,000 cases per month



ASRS has **17 fully automatic** battery charging stations for the robots.

Situated on 10.5 acres of land

ROBOT

#13

CARRIES MARY KAY ASH'S NAME.

Mary Kay

ASRS

has 20 Automated Guided Vehicles



that use radio frequency waves to communicate.

DID YOU KNOW?

- In 1985, Corporate warehouse, called ASRS (Automated Storage and Retrieval System), opens at 158 feet wide, 340 feet long and eight stories tall. It is completely automated and referred to as a "machine, not a building."
- In 1990, *Industry Week Magazine* named Mary Kay Inc. as one of the best in warehousing and distribution and a world-class benchmarking candidate.
- In 2004, Mary Kay Distribution Centers initiate a program to use 80% post-consumer recycled paper to replace Styrofoam packing peanuts. The paper packaging material is also 100% recyclable and biodegradable.

OUR OPERATIONS

GLOBAL HEADQUARTERS GLOBAL MANUFACTURING GLOBAL DISTRIBUTION **GLOBAL MARY KAY MARKETS** MUSEUM



Mary Kay took its first global step by opening an international subsidiary in Asia-Pacific in 1971, followed by other markets in North America (1978), Latin America (1980), and Europe (1986).



CHINA



MALAYSIA

Asia-Pacific (AP) Region

China
China/Hong Kong
China/Taiwan
Philippines
Malaysia
Singapore



PHILIPPINES

North America (NA) Region

Canada
United States



USA



GERMANY

MOLDOVA

LITHUANIA



SPAIN

Europe Region

Czech Republic
Slovakia
Germany
Netherlands
Switzerland
Kazakhstan
Moldova
Poland
Lithuania
Estonia
Latvia
Portugal
Russia
Armenia
Belarus
Spain
Ukraine
United Kingdom
Ireland

Authorized Distributors:

- o Finland (Lesley Cosmetics)
- o Norway (Lesley Cosmetics)
- o Sweden (Lesley Cosmetic)



POLAND

KAZAKHSTAN

SLOVAKIA



PERU



COLOMBIA

Latin America (LATAM) Region

Argentina
Uruguay
Brazil
Colombia
Mexico
Peru

Authorized Distributors:

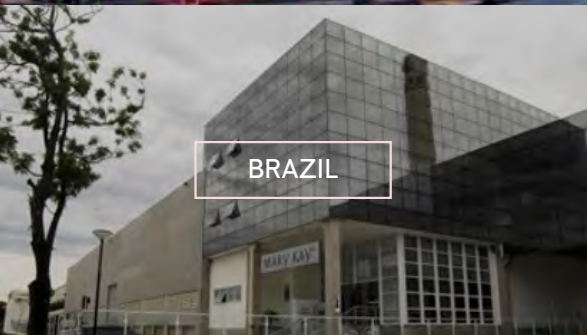
- o El Salvador (InversionesMasdel)
- o Guatemala (InversionesMasdel)



MEXICO



ARGENTINA



BRAZIL

OUR OPERATIONS

GLOBAL HEADQUARTERS GLOBAL MANUFACTURING GLOBAL DISTRIBUTION GLOBAL MARY KAY MARKETS MUSEUM



GLOBAL HISTORY

Mary Kay Inc. & Mary Kay Ash Museum & Office
16251 Dallas Parkway, Addison, Texas (U.S.A)

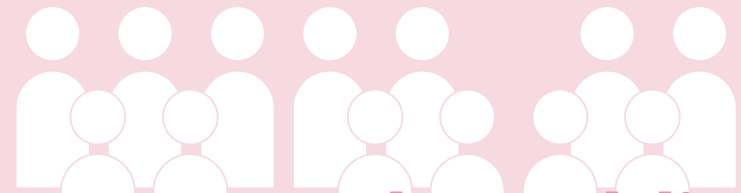


The Mary Kay® Museum is part history lesson, part tribute, and part recognition hall devoted to the life of one of America's most famous businesswomen: **Mary Kay Ash**.

The Mary Kay® Museum is located on the ground floor at Mary Kay Inc.'s world headquarters in Addison, TX (a suburb north of Dallas). It is open to the public for visits and tours. The museum boasts **3,500 square feet** of display space, helping preserve the Company's history and promoting the heritage and legacy of Mary Kay Ash and **the company she built**.

The self-guided tour includes exhibits on the history of the Mary Kay Corporation, Mary Kay Ash herself, and the impact she made on the world of business. On display

you will find Starter Kits throughout the years, pictures and newspaper clippings chronicling the Company's growth, and Mary Kay's first checkbook. There is a **40-seat theater** at the Museum that features clips and films about Mary Kay Ash and Mary Kay Inc. It continues with a fashion display of the many dresses Mary Kay Ash wore throughout the years, which were designed by the gifted American fashion designer Victor Costa himself. The company's fashion choices for the independent sales force are also on display and recognize the different **levels of achievement**. The Museum walls and display cases culminate the experience as the many awards and honors received by Mary Kay Ash and Mary Kay Inc. are weaved throughout.



*Open to the public
for visits and tours*

The self-guided tour includes exhibits on the history of the Mary Kay Corporation, on Mary Kay Ash herself, and the impact she made on the world of business.

3,500 Square feet of display space



There is a 40-seat theater at the Museum that features clips and films about Mary Kay Ash and Mary Kay Inc.



It continues with a fashion display of the many dresses Mary Kay Ash wore throughout the years.



On display you will find **Starter Kits** throughout the years, **pictures** and **newspaper clippings** chronicling the Company's growth, and Mary Kay's **first checkbook**.

We will focus on *three commitments* toward achieving our 2030 sustainability targets for Product Stewardship:



Product Stewardship

OVERVIEW

We are challenging ourselves to further embed sustainable practices in our business through product development, design, responsible sourcing, and mitigation of plastic pollution. We strive to continuously improve the profile of our products. Consumers have better choices because we continuously seek improvement.



PLASTICS & PACKAGING

We are committed to decreasing the plastic intensity in our packaging by 30%, and increasing circularity with post-consumer resin.



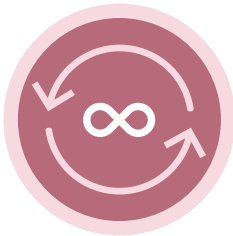
RECYCLING & CIRCULAR ECONOMY

We are committed to reducing our impact by sourcing more than 90% of the paper used in our packaging from recycled content and/or certified sustainable sources.



SUSTAINABLE SOURCING

We are committed to ensuring our sourced products are obtained in a responsible and sustainable way by addressing environmental and ethical factors in our supply chain.



Product Stewardship

HISTORICAL HIGHLIGHTS

DID YOU KNOW?

In 1986, Mary Kay Inc. was one of the first companies to pioneer one of the **first reusable compacts**.



This report showcases progress for our sustainable commitments through our actions today and our commitment to the future. We believe it is mutually important to share our historical efforts in these commitments and how our impact is not recent but our legacy to **do the right thing**.



- 1989** Mixing Tray re-designed to include new demonstrator forms (size of tray remains the same). "CFC Free" (chlorofluorocarbons) now stamped on side ridge representing the Company's respect for the environment by **voluntarily eliminating CFCs from the trays**.
- 1992** New **100% recycled** bubble-lite shipping bags are launched.
- 2004** Distribution Centers initiate a program to use **80% post-consumer recycled paper** to replace Styrofoam packing peanuts. The paper packaging material is also 100% recyclable and biodegradable.
- 2016** Phased in a lightweight cap option, **eliminating 36 tons of plastic**.



- 1986** Introduces **refillable compacts**.
- 1989** One of the first companies to enact a comprehensive **corporate recycling program**.
- 1991** Mary Kay installs a **DART polystyrene densifier**. Polystyrene cups and plates used in company coffee bars and cafeterias are collected for on-site crushing and made available for re-manufacture into food trays, toys, office supplies, and other useful plastic items.
- 1993** Introduced **recyclable plastic eye shadow tray**.
- 1996** More than **95% of products** feature cartons made of **recycled paperboard**.
- 2008** Launched **eco-friendly Mary Kay Compact** featuring an innovative refill system that is estimated to **eliminate 60 million units of packaging**, helping to cut more than 60,000 tons of carbon emissions.



- 1980** One of the first cosmetics companies to **utilize solar energy** in the manufacturing process utilizing thirty solar panels on top of the facility.
- 1990** Mary Kay printing services begins using **soybean-based printing ink** instead of oilbased ink.
- 2009** Launches its **"5 Green Habits"** campaign: 1.) Recycle 2.) Find pollution solutions 3.) Conserve water 4.) Be energy efficient 5.) Leave no trace.
- 2015** The Mary Kay world headquarters and global manufacturing facility are powered by **100% renewable energy**.



PLASTICS & PACKAGING



Packaging is a key way we engage with our consumers. One of the ways we can **reduce our carbon footprint** is through the design of our packaging. Mary Kay is committed to creating **high-performance packaging** that reduces the carbon impact of our total value chain and has **less impact on the planet.**

We are committed to decreasing the plastic intensity in our packaging by 30%, and increasing circularity with post-consumer resin.

PLASTICS & PACKAGING

Innovations in packaging materials, as well as circular models that turn post-consumer plastics into new and economically viable value streams, present multiple opportunities. We share public concern about plastic waste and want to play an active role in finding lasting solutions to this challenge.



Our Approach

Concern about plastic waste has risen sharply as waste collection and recycling infrastructure have not kept pace with plastic manufacturing, causing an increase in plastic waste in the environment. As a manufacturer of beauty products, we are committed to efforts to drive toward a more sustainable future within our own operations.



ENTERPRISE

- » Reduce plastic in packaging
- » Eliminate excess packaging layers
- » Source alternative packaging materials
- » Increase the use of post-consumer resin in packaging
- » Utilize life cycle analysis
- » Pursue products that use recyclable packaging

COLLABORATIONS

- » Global Alignment





DEVELOPING A BASELINE

Packaging is responsible for a high proportion of waste which, when carelessly disposed of, ends up in the wrong place. Finding a solution to this challenge requires knowledge, innovation and action. We are embarking on this journey, and we know every decision matters. We started with knowledge and invested in consecutive baseline studies to clearly understand our impact today, and how we can reduce it for the future.

BASELINE STUDY: PHASE I

We conducted our initial baseline¹ study in 2021 utilizing 2020 data with three key objectives:

- Establish what types of plastics are being used in the manufacturing of the products (input);
- Quantify how much plastic ends up in the market (output); and
- Estimate the “end-of-life” life cycle.

Findings from the initial baseline include:

Input

- Used 5,663 metric tons of plastics in packaging, of which 99.96% was virgin content;
- Polyethylene (PE), polypropylene (PP) and styrenics comprised the largest proportion of plastics used.

Output

- 82% of plastics in packaging are assumed to end up in landfills or leak into the environment; and only 2.4% of plastics output are recycled;
- The 2020 findings showed that package redesign is an opportunity to enhance recyclability. In 2020, Mary Kay approved four (4) new sustainable packages for future product packaging to drive action on commitments.

End-of-Life

- 42% of plastic waste is concentrated in Latin America & the Caribbean, 28% in North America, 11% in East Asia, and 15% in Europe & Central Asia.

BASELINE STUDY: PHASE II

After a review of the initial baseline, we conducted an additional baseline² in 2022 to further our understanding of how we can improve our efforts to reduce plastics and packaging usage.

We continued our baseline for a second consecutive year to ensure data accuracy and incorporated learnings from the initial baseline.

Findings from the additional baseline include:

Input

- Polypropylene (28%) and Polyethylene (25%) contribute the most to plastic leakage across plastic material types.

Output

- Approved 12 new sustainable packages for future product packaging to drive action on findings.

End-of-Life

- 5,818 tons of plastic waste were documented in 2021.
- Total plastic leakage was 1,602 tons across all plastic types.
- The U.S. represents 32% of plastic quantity entering the system, but only 6% of the plastic leakage amount.

DID YOU KNOW?

Biodegradable packing peanuts (biopeanuts), made from renewable corn and potato starch, are used to ship millions of Mary Kay products each year (U.S.A. only).



LOOKING AHEAD

We know we must be part of the solution, and we recognize it is time to increase our efforts.



DECADE OF ACTION 2020-2030

PLASTICS & PACKAGING

We are committed to decreasing the plastic intensity in our packaging by 30%, and increasing circularity with post-consumer resin.

OUR PROGRESS

2020 - 2022 Total

- o Reduced nearly 500,000lbs. of plastic
- o Approved 16 new sustainable packages for future product packaging.

OUR APPROACH

- o Reduce plastic in packaging
- o Eliminate excess packaging layers
- o Source alternative packaging materials
- o Increase the use of post-consumer resin in packaging
- o Utilize life cycle analysis
- o Pursue products that use recyclable packaging

OUR BEGINNING: 2020

- OUR ACCOMPLISHMENTS
- » Reduce plastic in packaging: Reduced over ~37,000 lbs. of plastic.
 - » Incorporate life cycle analysis (as needed): Integrated sustainable packaging in new product development processes; approved four new sustainable packages for future product packaging.
 - » Global Alignment: Joined SPICE (Sustainable Packaging Initiative for CosmEtics) with other industry leaders to help set improved packaging standards for cosmetics; and Deborah Gibbins, chief operating officer, joined the “Future of Consumption” initiative.

OUR JOURNEY: 2021

- » Reduce plastic in package: Reduced over 450,000 lbs. of plastic.
- » Incorporate life cycle analysis (as needed): Approved 12 new sustainable packages.
- » Global Alignment: Member of SPICE (Sustainable Packaging Initiative for CosmEtics).

OUR NOW: 2022

- » Reduce plastic in package: Completed a full evaluation and categorization of components to accurately measure plastic intensity in real time with sales team.
- » Global Alignment: Nominated and approved members of the steering committee for SPICE (Sustainable Packaging Initiative for CosmEtics).

OUR BEYOND: 2023-2030

We are COMMITTED to continuing our journey and roadmap DEVELOPMENT for our plastics and packaging usage.



RECYCLING & CIRCULAR ECONOMY



Photo courtesy, Mary Kay Global

At Mary Kay, we are **rethinking waste** and the resources we use to make and distribute our products – including raw ingredients and packaging materials. We recognize the challenge this presents but we are steadfast in our pursuit of a **circular economy** approach so that the materials we use can be reused. This will enable us to be more efficient in the way we consume materials which is good for business, but it will also help **reduce waste and protect the environment.**

We are committed to reducing our impact by sourcing more than 90% of the paper used in our packaging from recycled content and/or certified sustainable sources.



ENVIRONMENTAL SUSTAINABILITY
Product Stewardship





RECYCLING & CIRCULAR ECONOMY

The consequences of decisions made at the design stage determine around 80% of environmental impacts¹. We need to ensure that products and materials are designed in a sustainable way, from the outset, to be recycled and/or reused.

We have set ambitious and interrelated goals to reduce our waste footprint. This includes commitments and goals across plastics, packaging and paper. We recognize that in order for us to achieve our goals, we must be innovative in how we identify ways to reduce, reuse and recycle to meet our commitment to a circular economy approach.



Our Approach

Paper packaging is key to driving action on the circular economy. Its raw material—wood fibre—is a renewable, natural and sustainable resource. It can be easily collected and recycled, ensuring this raw material can be used time and again. Collaboration throughout the supply chain is fundamental to the success of the circular economy of the future.

ENTERPRISE

- » Packaging layers/materials
- » Refill/Reuse/Repeat products
- » Globally recognized certification

COLLABORATIONS

- » Global Alignment





SUSTAINABLE PACKAGING

As a manufacturer, we know increasing our use of sustainable packaging must be top of mind when thinking about packaging for our products. Sustainable packaging can reduce costs, minimize our carbon footprint, and reduce the harm caused to the environment. In 2020, we conducted a self-audit concluding our benchmark of 13.9% sustainable packaging. We are continuing to evaluate our supply chain and package design as we move toward more sustainable packaging.

DID YOU KNOW?

Our Botanical Effects skincare line uses **post-consumer recycled (PCR) resin** and a **100% recycled board** in the cartons. Mary Kay Naturally also uses 100% recycled board

PACKAGING INSERTS

As we continue to evaluate our packaging profile, we know it is critical to ensure we look through an environmental lens. Through our continuous improvement, we were able to increase post-consumer paper content from 20% to 30% for inserts (~20,000 lbs. of paper reduced annually) in 2021 alone.

REFILLABLE PRODUCTS

Refillable beauty is a critical path towards achieving sustainability. Reduce and reuse are important, and refillable options can make a significant impact. Our customizable (and magnetized) case can hold our eyeshadow and blush refills. We continue to explore refillable beauty options.



DID YOU KNOW?

Mary Kay Ash was a sustainability pioneer and raised the standard when she utilized one of the first reusable compacts more than **30 years ago**.



GLOBALLY RECOGNIZED CERTIFICATION & ALIGNMENT

We know in order to drive sustainable change, collaboration is necessary. It must be a joint effort to understand the environmental challenges facing the world today and a collective effort to change the outcome for the better. We have partnered with organizations supporting the effort around plastics, packaging, recycling, and circular economy.

○ Ellen MacArthur Foundation

In 2021, we joined the Ellen MacArthur Foundation as a member of its Network, as part of its commitment to becoming a more sustainable, circular business.

○ Forest Stewardship Council (FSC)

The Forest Stewardship Council promotes responsible management of the world's forests. In 2022, our Print Center located at the Southwest Branch became FSC certified. The FSC certification ensures products come from responsibly managed forests providing environmental, social and economic benefits. "The FSC Principles and Criteria provide a foundation for all forest management standards globally, including the FSC US National Standard (v1.0) that guides forest management certification in the U.S."

○ Sustainable Packaging Initiative for Cosmetics (SPICE)

In 2020, we joined the Sustainable Packaging Initiative for Cosmetics (SPICE) along with many other companies and suppliers to guide sustainable packaging standards, drive packaging innovation, and to meet consumer's expectations on understanding the environmental performance of products, and launched a publicly available eco-design tool to measure the environmental footprint of cosmetics packaging.



DECADE OF ACTION 2020-2030

RECYCLING & CIRCULAR ECONOMY

We are committed to reducing our impact by sourcing more than 90% of the paper used in our packaging from recycled content and/or certified sustainable sources.

OUR APPROACH

- o Packaging layers/materials
- o Refill/Reuse/Repeat products
- o Globally recognized certification

OUR PROGRESS

2020 - 2022 Total

- o Increased post-consumer paper content from 20% to 30% for inserts
- o Achieved Forest Stewardship Council certification



OUR BEGINNING: 2020

OUR ACCOMPLISHMENTS

- » *Self-Audit:* 2020 benchmark—13.9% Sustainable Packaging.
- » *Recycling:* Cardboard recycling programs at Richard R. Rogers Manufacturing/R&D facility (R3) and Southwest (SW) Distribution Center; 100% of cardboard is recycled and gets re-pulped into cardboard sheeting.
- » *Global Alignment:* SPICE launches publicly available eco-design tool to measure and reduce the environmental footprint of cosmetics packaging.



OUR JOURNEY: 2021

- » *Packaging inserts:* Increased post-consumer paper content from 20% to 30% (~20,000 lbs. of paper reduced annually).
- » *Certified Sustainable Board:* 5% of cartons (Dallas); 100% of cartons (Brazil); 100% of re-shippers (Dallas & Brazil); and continued cardboard recycling programs at global manufacturing and distribution center in the U.S. (SW).
- » *Global Alignment:* SPICE published guidelines for Packaging Claims; joined the Ellen MacArthur Foundation as part of our commitment to become a more sustainable, circular business.

OUR NOW: 2022

- » *Global Certification:* Achieved Forest Stewardship Council certification (U.S.A only).
- » *Product Stewardship:* Implemented process for sustainable packaging claims substantiation and reporting.



OUR BEYOND: 2023-2030

We are COMMITTED to continuing our journey toward finding solutions ensuring our role in a CIRCULAR ECONOMY.

SUSTAINABLE SOURCING



We are committed to ensuring our sourced products are obtained in a responsible and sustainable way by addressing environmental and ethical factors in our supply chain.

Sustainable sourcing and inclusiveness can make supply chains more **resilient and agile**—an increasingly important strategic advantage. Our commitment to ensure a more diverse and ethical supply chain is our **conscious effort toward accountability** in our pursuit of diversity and continually improving our procurement strategies to be inclusive.

Sustainable sourcing is critical across all industries. Companies must meet the growing expectations of stakeholders (customers, shareholders, employees, non-governmental organizations, trade associations, labor unions, government observers, etc.) and take **responsibility** for their supplier's environmental, social and ethical practices.



SUSTAINABLE SOURCING

As a global company, we are supported by an international network of suppliers, communities, and environments, which means it has the unique opportunity to make positive impacts around the world. The true footprint of every Mary Kay product encompasses the impacts of the supply chain behind it and holding suppliers to our high standards can cultivate healthy environments and communities across the planet.



Our Approach

We are founded on the very principle of entrepreneurship. Our procurement value chain and policies embody our holistic—and inclusive—approach to focusing on the broader societal benefits by generating economic opportunity for disadvantaged communities.

Sustainable sourcing, gender-responsive procurement (GRP) and supplier diversity can have a transformational impact on domestic and international economies and contribute to women’s economic empowerment, and a more diverse and inclusive supply chain.

- **ENTERPRISE**
 - » Responsible Procurement Program
 - » Sustainable Ingredient Sourcing
 - » Gender Responsive Procurement & Supplier Diversity
- **COLLABORATIONS**
 - » Advocacy



RESPONSIBLE PROCUREMENT PROGRAM

Mary Kay’s approach to sourcing is premised on a commitment to ethics and respect for human rights wherever we have influence and do business. We naturally expect the same of our suppliers and seek to work with those who have a strong track record of business ethics and respect for people and the environment.

Mary Kay’s Supplier Global Code of Ethics and corresponding Supplier Accountability Guidebook outline Mary Kay’s commitment to upholding its values and expectations with regard to ethical business standards and practices with our business partners. The Supplier Global Code of Ethics applies to any company, its facilities, manufacturers, vendors, subcontractors, or agents that produce branded goods for Mary Kay.

The policy reflects the values which Mary Kay upholds in its own policies and which its suppliers are expected to follow to prevent any negative social and environmental fallout as a result of our operations with third parties. These include the importance of responsible workplace policies and practices that comply, at a minimum, with applicable local and national laws and regulations.

Initially, our focus was to review our processes and determine where we can have immediate impact for change. Quickly we identified actionable steps to create stronger foundations in our responsible procurement program, this includes:

- Our first Sustainability Focused Supplier Summit held in 2022;
- 100% of our top 10 and 50% of our top 100 suppliers by spend have their own sustainability policy;
- 100% compliance from our supplier base to our Code of Ethics; and
- Implement and utilize SourceMap and EcoVadis.

TECHNOLOGY SOLUTIONS

By investing in sustainable technology, we are contributing to a more resource-efficient future.

- **Sourcemap**
Sourcemap provides our procurement team with unprecedented insights into the end-to-end supply chain to ensure that best practices are implemented every step of the way.
- **Digital Transformation**
Digital transformation helps us track the transportation of goods in real-time, allowing us to identify areas of improvement and improve efficiency. It also enables us to optimize the travel routes, accounts for foreseeable delays, and flag a delivery in the event of an accident or loss of a vehicle.
- **EcoVadis**
Through the Enterprise subscription and associated services, EcoVadis provides an outsourced sustainability management platform that helps us manage our trading partners’ performance and drive continuous improvement.



DID YOU KNOW?

Mary Kay has a Social Responsibility Audit Program which follows a risk-based approach by focusing on suppliers whose main manufacturing base is located in a country that is not a member of the Organization for Economic Cooperation and Development. If there is any suspicion of non-adherence to the Supplier Guidebook or the Code of Ethics, a Social Responsibility Audit may be executed regardless of the supplier’s location.

SUSTAINABLE INGREDIENT SOURCING

We are committed to sustainable and responsible sourcing by addressing environmental and ethical factors in our supply chain.

HOW WE OPERATE

Our sustainability journey includes our upstream operations with an emphasis on responsible sourcing of our ingredients.

○ Governance & Transparency:

Governance and transparency can demystify the inherent complexity of our business, affirm our active participation in sustainability, and ensure accountability to do the right thing. The Supplier Code of Ethics is a standard that Mary Kay Procurement holds our suppliers. Through the Supplier Code of Ethics we ensure that our suppliers place a priority on responsible sourcing.

○ Respect for Biodiversity:

Biodiversity is essential to the long-term survival of life itself; it also underpins so much of what we do at Mary Kay. We look for opportunities to make a positive contribution to conservation where we operate. To help us improve our environmental performance, including protecting biodiversity, we work with scientific and conservation organizations around the world. We encourage you to learn more about these efforts in our carbon and water commitments within this report.

Ingredient Purity:

- We control the purity of our ingredients, partnering with our suppliers so that Mary Kay products meets our standards.

DID YOU KNOW?

The Mary Kay Naturally™ product is third-party certified as natural according to comprehensive standards. For our core lineup, we chose COSMOS Natural certified by ECOCERT, which evaluates everything from the sourcing and processing of ingredients to product manufacturing and packaging.

CONSUMER INGREDIENT TRANSPARENCY

Ingredients are at the heart of our products. We have made progress in driving and demonstrating sustainable ingredient practices in our supply chain. We will continue to build on what we have learned and develop a variety of ways to achieve sustainable ingredient sourcing, engaging suppliers in our supply chain on this journey.

Ingredients are chosen based on quality, efficacy, and safety. The Research and Development team also operates in line with the Nagoya Protocol in the identification and sourcing of ingredients. MKI does not use ingredients derived from species listed on the International Union for Conservation of Nature (IUNC) Red List, which reports on species conservation status.

We list each ingredient on the product package in compliance with regulations and our efforts towards transparency. Additionally, you may notice additional transparency around fragrance ingredients. We are rolling out fragrance allergen labelling on products globally.

○ Palm Oil

We know there are complex social and environmental issues around the production and traceability of palm-based ingredients, an important element for many of our products. We continue to build on our achievements to responsibly source the palm-based ingredients that we buy. We are a member of the Roundtable for Sustainable Palm Oil (RSPO), which promotes the growth and use of sustainable palm oil. Since 2014, we have either used certified sustainable palm oil or purchased credits to support the production of sustainable palm oil for 100% of Mary Kay's palm oil use.

To support our commitment to this effort, we require our suppliers to use all reasonable efforts to comply with appropriate sourcing regulations and best practices to ensure the integrity of the world's resources

Our Commitment: Palm Oil

- Mary Kay has been a member of the Roundtable for Sustainable Palm Oil (RSPO) since 2014.
- We also track certified palm oil, palm kernel oil, and palm derivative use. Our Sustainability goal is to increase our use of certified palm, with a stretch goal of 100% by 2030.
- We purchase credits to support the production of sustainable palm oil. Our credit purchases have covered 100% of Mary Kay's non-certified palm oil use from the beginning.





GENDER-RESPONSIVE PROCUREMENT (GRP)

Globally, while one in three businesses are owned by women, women only win an estimated one percent of the global spend of large corporations. Women entrepreneurs face many obstacles including lack of access to capital on both domestic and international markets; fewer entrepreneurship networks compared with men; and policies that discourage female labor market participation. Unequal gender laws also hinder women's economic opportunity.

This is why investing in women entrepreneurs throughout our value chain is a corporate priority here at Mary Kay. Our procurement value chain and policies embody our holistic—and inclusive—approach to focusing on the broader societal benefits of gender-responsive procurement by generating economic opportunity for women.

We believe the effects of GRP are far-reaching and span beyond women's economic empowerment. GRP also affects corporate profitability, risk mitigation, innovation and sustainability.

When women entrepreneurs are excluded from the procurement pipeline, companies risk leaving a considerable amount of talent, creativity and expertise on the table.

GRP is a winning business strategy as well as a powerful catalyst for change. However, we also believe that the benefits of GRP go beyond just business. They also make a tangible impact on local economic development and strengthen communities.

Through the Women's Entrepreneurship Accelerator (WEA), Mary Kay, along with six UN partners, are seeking to create awareness and to call on the global business community to implement GRP strategies, and to commit to raising the percentage of women-owned and led businesses and gender-responsive businesses across value chains. WEA is focused on doing concrete work and advocating for transformative strategies to advance GRP in both the public and private sectors. Our aim is to create awareness around the complex and interconnected barriers to women's entrepreneurship and to promote GRP practices globally.

We are advocating and building capabilities around the world for greater uptake of GRP as it is the most untapped potential and biggest opportunity to drive women's entrepreneurship.

In 2020, Mary Kay conducted a third-party Business Verification and Diversity Data report to inform our current supply chain involving Women, Minority or Veteran Owned businesses (in the United States):

- **12%** of our Indirect Suppliers are **Women, Minority or Veteran-Owned**
- **5%** of our Direct Suppliers are **Women, Minority or Veteran-Owned**



DID YOU KNOW?

66% of our Corporate Procurement Team are **Women**



DECADE OF ACTION 2020-2030

SUSTAINABLE SOURCING

We are committed to ensuring our sourced products are obtained in a responsible and sustainable way by addressing environmental and ethical factors in our supply chain.

OUR APPROACH

- o Responsible Procurement Program
- o Sustainable Ingredient Sourcing
- o Gender Responsive Procurement & Supplier Diversity
- o Advocacy

OUR PROGRESS

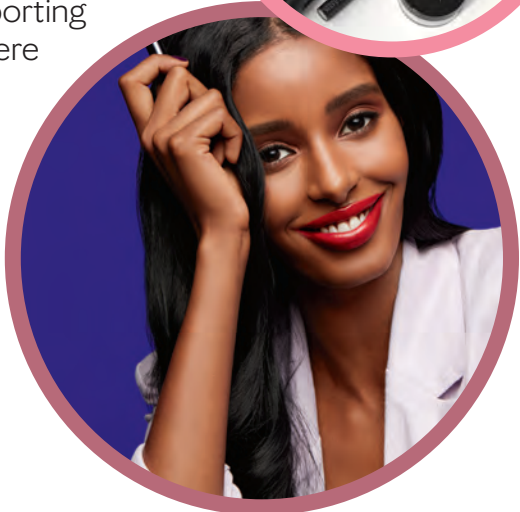
2020- 2022 Total

- o 12% of our Indirect Suppliers are Women, Minority or Veteran-Owned (U.S.A. only)
- o 100% compliance from supplier base to our Code of Ethics (U.S.A. only)
- o Achieved Palm oil-88% certified and Palm kernel-72% certified.

OUR BEGINNING: 2020

OUR ACCOMPLISHMENTS

- » *Responsible Procurement Program:* Relaunched “Standards for Ingredients and Formulations”.
- » *Governance:* Completed Roundtable on Sustainable Palm Oil audit with no negative findings.
- » *Inclusive Sourcing:* Released third-party Business Verification and Diversity Data Report. U.S. Supply Chain Data: 12% of Indirect Suppliers are Women, Minority or Veteran-Owned; 5% of Direct Suppliers are Women, Minority or Veteran-Owned; and 77% of businesses supporting marketing campaigns were women-owned.



OUR JOURNEY: 2021

- » *Responsible Procurement Program:* 100% compliance from supplier base to our Code of Ethics; 100% of top 10 and 50% of top 100 suppliers by spend have their own sustainability policy. Partnered with ECOVADIS, a third-party entity, to validate supplier sustainability policies (142 direct suppliers with scorecards).
- » *Sustainable Sourcing:* Achieved Palm oil-88% certified and Palm kernel-72% certified.
- » *Gender Responsive Procurement & Supplier Diversity:* UN Women, together with UN Global Compact, launched a gender-responsive procurement Community of Practice comprising companies from the private sector in support of Women’s Entrepreneurship Accelerator (WEA).



OUR NOW: 2022

- » *Responsible Procurement Program:* Updated language in Supplier Code of Ethics to include sustainable procurement; and a sustainability clause added to supplier contract templates.
- » *Sustainability Focused Supplier Summit:* Held in September 2022.
- » *Inclusive Sourcing:* Named 2022 Silver Champion for Supplier Diversity & Inclusion.
- » *Gender Responsive Procurement & Supplier Diversity:* In support of WEA, UN Women released an Advocacy Brief presenting evidence of the benefits for strengthening the participation of women in private sector supply chains.



Each tube made from
42.4%
recycled materials

OUR BEYOND: 2023-2030

We are COMMITTED to our supply chain through policies and best practices embodying our holistic—and inclusive—approach to focusing on the broader SUSTAINABLE AND SOCIETAL BENEFITS.



We will focus on *three commitments* toward achieving our 2030 sustainability targets for Responsible Manufacturing:



Responsible Manufacturing

OVERVIEW

Our global footprint is vast and drives our holistic sustainability approach especially within our operations. We are focused on efficient manufacturing operations by reducing our environmental impact and identifying opportunities for resource improvement.



CARBON

We are committed to reduce our carbon footprint (scopes 1 and 2) by **30%**.



WATER

We are committed to reduce water utilization by **30%**.



SAFETY & OPERATIONAL WASTE

We are committed to the safety of our people by developing effective health and safety processes, and planning for future operational waste management ensuring our buildings will **operate efficiently, sustainably and safely.**



Responsible
Manufacturing
HISTORICAL HIGHLIGHTS



DID YOU KNOW?

Our global facilities: Mary Kay Inc. Global Headquarters (TMKB), Richard R. Rogers Global Manufacturing and R&D Center (R3), and Mary Kay’s Global Automated Storage and Retrieval System (ASRS), run off **renewable energy**; and R3 is LEED* certified and **zero landfill**.

*(Leadership in Energy and Environmental Design is a green building certification program used worldwide)

This report showcases progress for our sustainable commitments through our actions today and our commitment to the future. We believe it is mutually important to share our historical efforts in these commitments and how our impact is not recent but our legacy to **do the right thing**.



CARBON

- 2008** Implemented the use of thermal cargo quilts for temperature-controlled shipping to protect product from extreme heat and cold. The change reduces carbon dioxide produced in the supply chain by **6,000 tons per year**.
- 2009** Made changes to shipping processes which result in a **21 percent decrease** in our global transportation carbon footprint.
- 2010** Mary Kay kicks off a Pink Doing Green® initiative to plant trees for flip-top caps and/or color refill cases that was returned for recycling. By the end of 2012, **400,000 trees were planted**.



WATER

- 2011** Adopts a new cleaning system to wash the product processing kettles. This new process saves approximately **110,000 gallons** of water per month.
- 2017** Mary Kay China manufacturing facility reduces potable water use by 34%, which **saves over 900,000 gallons** of potable water per year.



SAFETY &
OPERATIONAL
WASTE

- 2008** Launched “**Green Manufacturing**,” targeting environment and efficiency focusing on eliminating waste, water conservation, energy, and focusing on recycling the sludge from its water treatment facility.
- 2010** Reduced the amount of waste sent to landfills by **almost 40%** compared to 2009.
- 2011** Global manufacturing (Texas, USA) facility achieves **zero landfill waste status**.
- 2013** **2.1 million pounds** of non-recyclable waste is diverted from the landfill.
- 2014** Mary Kay China manufacturing facility **achieves zero waste-to-landfill status**.



CARBON



Climate change is a pressing global issue, and its repercussions require urgent action. With a commitment to making a profound transformation toward a low-carbon business model, we aim to play a catalyzing role in order to contribute actively to addressing this challenge in our manufacturing operation.

We are committed to reduce our carbon footprint (scopes 1 & 2) by 30%.



CARBON

We are focused on an ambitious climate action agenda and determined to have an active role in the global effort to reduce carbon emissions.

In our decade of action, we will continue to explore net zero emissions for scopes 1 and 2 at our owned facilities, work with our partners to develop a future target in reducing our GHG for scope 3, and evaluate transportation efficiencies in our expansive logistics network.

Our Approach

Through our baseline analysis, we understand our impact and we have set carbon reduction goals—both within direct operations and our supply chain.

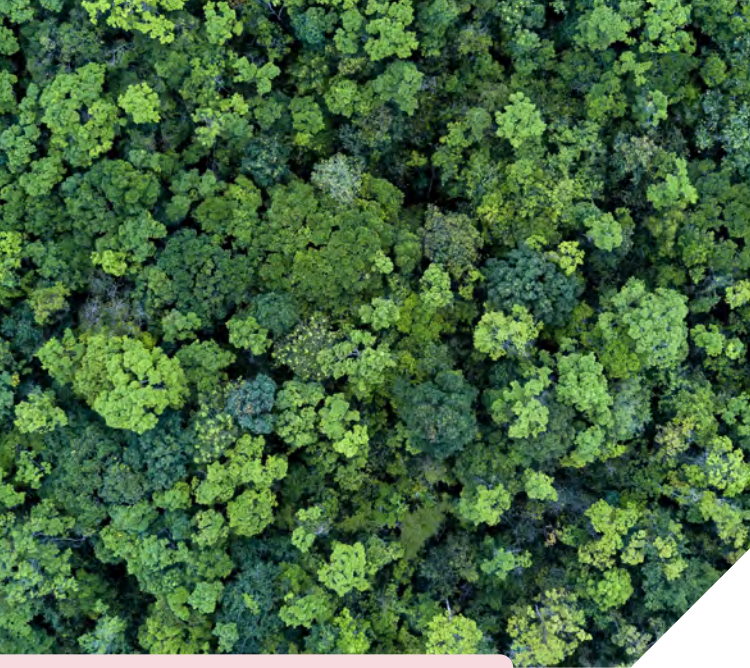
○ ENTERPRISE

- » Reduce total greenhouse gas emissions (GHG) (Scopes 1 & 2)
- » Source 100% of owned-facilities' electricity from renewable energy

○ COLLABORATIONS

- » Partnerships





REDUCE TOTAL GREENHOUSE EMISSIONS

We know there is an urgent need for companies to address carbon emissions and support the vision of integrating zero impact solutions.

BASELINE STUDY: PHASE I

We conducted our initial baseline¹ study in 2021 utilizing 2020 data with four key objectives:

- Understand the inputs;
- Refine data collection;
- Develop a benchmark; and
- Set a sustainability goal.

Findings from the initial baseline include:

With increased global concerns around rising carbon emissions and climate change, organizations seek to understand its carbon footprint and are actively setting carbon reduction goals to offset these challenges. Along with many companies around the world, we are engaged in learning and taking action.

In late 2019, we initiated a detailed baseline analysis to determine our carbon footprint. The first phase would continue through 2020 as it was our first data gathering effort. After a review of the first phase, a goal of a 30% reduction of total GHG for Scopes 1 & 2 was implemented as a sustainability target. As a second step, we would conduct a phase II analysis to gather additional data to develop future goal setting.



BASELINE STUDY: PHASE II

After a review of the initial baseline, we conducted an additional baseline² in 2021-2022 to further our understanding of how we can reduce our carbon footprint.

We continued our baseline for a second consecutive year to ensure data accuracy and incorporated learnings from the initial baseline.

Findings from the additional baseline include:

- Total carbon emissions, including the consumer use phase, was **538,979 tCO₂-eq.** This is equivalent to emissions from **1,337,856,671 miles** driven by an average gasoline-powered car or about **61 million gallons** of gasoline.
- Manufacturing sites drive Scope 1 and Scope 2 impacts. Scope 1 accounts for direct emissions that occur from sources controlled or owned by an organization and Scope 2 accounts for indirect emissions from the energy use.
- Scope 3, or indirect emissions outside of the organization's control, drives the largest portion of emissions from Mary Kay's footprint. Scope 3 accounted for about **97% of the total emissions** in CY2021. This is very common across companies in the cosmetics industry.
- The number one driver of Mary Kay's total carbon footprint, or about **61% of total emissions in CY2021**, came from the consumer use phase. The energy used to heat water for Mary Kay's rinse-off products represents the greatest portion of these Scope 3 emissions.
- The second largest driver, or about **16% of the total in CY2021**, was the purchase of materials and ingredients used to package and formulate Mary Kay's products. This is included in Mary Kay's Scope 3 emissions.
- The third largest driver, or about **13% of the total in CY2021**, was downstream transportation. Cars driven by Mary Kay independent beauty consultants, represent **72% of this Scope 3 category.**

SOURCE RENEWABLE ENERGY

The Mary Kay global headquarters, global manufacturing facility, and global distribution and automated storage & retrieval system (ASRS), all located in Texas, U.S.A., are powered by 100 percent renewable energy. We continue to explore opportunities for utilization for renewable energy sources in owned and leased facilities within our operations.



TAKING ACTION

Combination Loads: Increasing container usage

- **Opportunity:**
Containers of product was shipping to smaller volume markets with unused space resulting in high freight cost per pallet, low sea shipment arrival velocity, and high air freight frequency.
- **Action:**
Reduce empty space on low-volume market containers.
- **Target Outcomes:**
 - Decrease underutilized space on containers
 - Increased sea shipment arrival velocity
 - Decreased freight cost per market
 - Reduced CO2 emissions
- **Success Metrics**
 - In 2021, 16.42 metric tons of CO2 saved
 - Empty space lowered from 56% to 15% on average



GLOBAL ALIGNMENT & COLLABORATIONS

Partner Spotlight: Arbor Day Foundation

Mary Kay has been a proud partner of the Arbor Day Foundation since 2008. Mary Kay’s impact with the Arbor Day Foundation is measurable and lasting. Trees and forests are a proven solution to addressing some of the most pressing issues facing people and our planet. These challenges include climate change, water quality and quantity, biodiversity health, human health and environmental inequalities.

- **Founding member of the Evergreen Alliance**
Containers of product was shipping to smaller volume markets with unused space resulting in high freight cost per pallet, low sea shipment arrival velocity, and high air freight frequency.
- **Founding member of the Time for Trees Initiative**
Time for Trees initiative, a commitment to plant 100 million trees in forests and communities worldwide by 2022 – the 150th anniversary of Arbor Day. The goal was achieved in September 2022, and was an overwhelming success.
- **Member of the Trillion Tree Initiative**
1t.org is a World Economic Forum initiative, designed to support the UN Decade on Ecosystem Restoration 2021-2030, led by UNEP and Food and Agriculture Organization of the United Nations (FAO) ensuring the conservation and restoration of one trillion trees within this decade. On “Day 1” we contributed 1,130,000 trees.

FOREST OF HOPE



Mary Kay served as an executive producer of the short film in partnership with The Nature Conservancy to highlight the story of Angelica, leader of Mujeres Unidas Para La Conservacion de Laguna de Sanchez, and a group of female entrepreneurs as they combat environmental challenges in the surrounding areas of the city of Monterrey.

Forest of Hope was written, directed, and produced by an all-female team and screened at La Femme International Film Festival, a premiere film festival celebrating, supporting, and advancing content creation by women producers, writers, and directors from around the world. It was also selected for the North Dakota Environmental Rights Film Festival, Hot Springs International Women’s Film Festival, and the Green Film Festival.

Forest of Hope takes viewers to a small mountain town near the city of Monterrey surrounded by Cumbres National Park, a natural reserve known as “The Lungs of the Region.” It is a place where fires and clear cutting have destroyed over 30% of the forest and which is prone to other ecological challenges such as hurricanes, flooding, and issues with water supply.

Other common issues facing the area are heavy storm water runoff that affects the urban infrastructure, local livestock, and the citizens of the community. With all of these natural setbacks, this group of women have dedicated themselves to restoring the vegetation cover and producing native tree species in nurseries to maintain the area’s environmental resiliency.

Film Festivals

- North Dakota Environmental Rights Film Festival—Official Selection
- Hot Springs International Women’s Film Festival—Official Selection
- Green Film Festival—Official Selection
- La Femme International Film Festival—Screened at La Femme International Film Festival, a premiere film festival celebrating, supporting, and advancing content creation by women producers, writers, and directors from around the world.



DECADE OF ACTION 2020-2030

CARBON

We are committed to reduce our carbon footprint (scopes 1 and 2) by 30%.

OUR APPROACH

- o Reduce total greenhouse gas emissions (GHG) (Scopes 1 & 2)
- o Source 100% of owned-facilities' electricity from renewable energy
- o Partnerships

OUR PROGRESS

- 2020 -2022 Total
- o Reduce GHG: Commissioned a third-party audit for carbon baseline

OUR BEGINNING: 2020

OUR ACCOMPLISHMENTS

- » Preliminary carbon footprint baseline conducted.
- » Contributed more than 1.2 million trees to the 1t.org Initiative in partnership with the Arbor Day Foundation and World Economic Forum, supporting the UN Decade on Ecosystem Restoration.



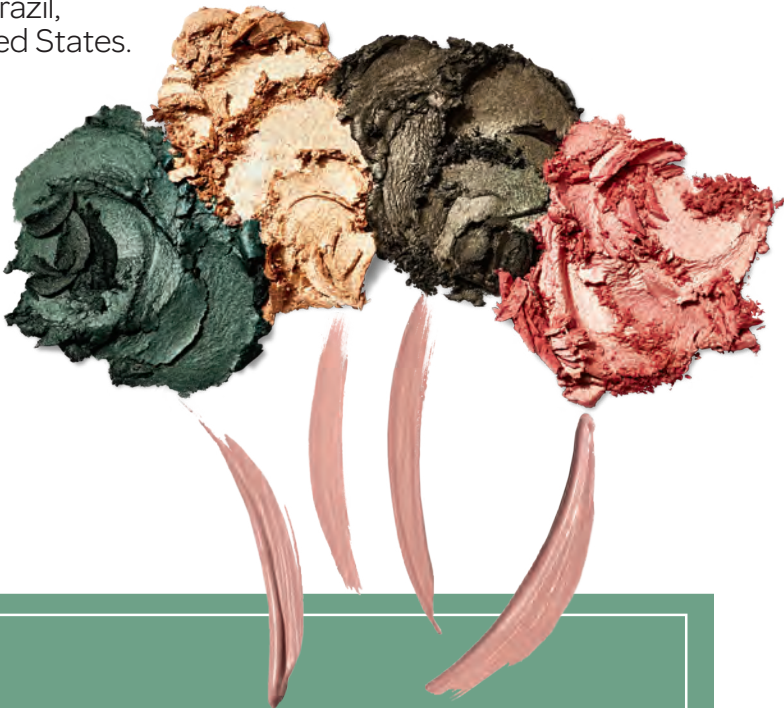
OUR JOURNEY: 2021

- » Launched and executed phase two of carbon footprint baseline:
 - Total carbon emissions, including the consumer use phase, was 538,979 tCO2-eq.
 - The top driver of total carbon footprint, or about 61% of total emissions in CY2021, came from the consumer use phase.
 - The second largest driver, or about 16% of the total in CY2021, was the purchase of materials and ingredients used to package and formulate products.
 - The third largest driver, or about 13% of the total in CY2021, was downstream transportation, including cars driven by Mary Kay independent beauty consultants.
- » Released *Forest of Hope* documentary during the 2021 UN Climate Change Conference (COP26).



OUR NOW: 2022

- » Supported The Arbor Day Foundation on three global reforestation projects in Brazil, Madagascar, and the United States.



OUR BEYOND: 2023-2030

We are **COMMITTED** to continue our data gathering to ensure we are making decisions to **REDUCE OUR CARBON FOOTPRINT.**



WATER



Water stewardship will be a **key driver** in the future as climate change drives more extreme drought conditions and increases the frequency of water scarcity events. Taking proper steps now will help our manufacturing locations be better partners in the communities in which they operate. We also recognize our responsibility as a consumer of water to **protect and preserve freshwater systems**, and the need to mitigate water risks for the viability of our operations and for the communities in which we serve.

We are committed to reduce water utilization in our manufacturing process by 30%.



WATER

According to the World Economic Forum, water crises have been among the top five global risks in each of the last seven years.

We strive to be an industry leader in water conservation and stewardship. We are committed to making efficient use of this increasingly precious natural resource and to limit the environmental and social consequences of how we consume we consume and discharge water.



Our Approach

Water is an essential element in our manufacturing activities, as well as in our entire value chain. As a priority, in places where water stress is expected, we carry out risk assessments to develop water mitigation action plans; these include efficiency improvements and water reuse opportunities.

Because of the heavy reliance on fresh water directly utilized to manufacture goods and indirectly in the production of supplies, we engage in water policy and management through our external partners to drive action on sustainable water management and to identify and advocate for good policies and practices for corporate water stewardship.

- **ENTERPRISE**
 - » Water Management
 - » Reduction in Water Consumption
 - » Global Alignment
- **COLLABORATIONS**
 - » Partnerships



WATER MANAGEMENT

Our focus is on developing site-specific water strategies considering risks and current use.



Photo courtesy: Tim Calver
The Nature Conservancy

BASELINE STUDY: PHASE I

In our preliminary baseline¹ conducted in 2020, results indicate that cleaning and sanitation are the key water-consuming activities at our manufacturing facilities, consistent with industry norms.

Key findings included:

- Less than five percent of water used at our global manufacturing plant (Texas, U.S.A.) goes directly into products.
- In our manufacturing plant in Hangzhou, China, data collection systems and optimization measures (*water reuse, improved wastewater treatment*) are already implemented.
- Our global manufacturing facility (Texas, U.S.A.) took steps towards developing a site water balance (*a set of calculations analyzing the inputs and output flows of water and use rates/types*).

○ Action:

- Installed additional meters (temp/will be permanent) in various areas throughout operations to ensure we are capturing our data accurately.
- Additional meters (temp/will be permanent) for purified water operations.



Photo courtesy: Ken Geiger



Photo courtesy: Erika Nortemann

BASELINE STUDY: PHASE II

We continued our baseline study² in 2021, to further understand our water usage to inform our water management strategies.

Key findings included:

- Total water footprint in CY2021 was 607 million gallons (2,300,385 m³).
- Manufacturing facilities directly used approximately 12 million gallons (47,728 m³) in CY2021.
- A majority of our indirect water use, or about 32% of the total in CY2021, came from the consumer use phase, which also drives water quality impacts across the value chain.

○ Action:

- Conducting Flow Meter Analysis and Planning (*Water Usage Analysis & Identification Process*).
- Acquire and install water flow meters in Q4 2022.



Photo Courtesy: Tim Calver



REDUCTION IN WATER CONSUMPTION

Water reduction can be achieved through a combination of changing behavior, modifying and/or replacing equipment with water saving equipment to reduce overall water consumption and increase internal reuse.

To assure the strategies, optimize water and minimize costs, it is important to assess current water use and set goals. Reducing water consumption is a means of addressing the global water crisis, and we continue to explore how we can save and use water more efficiently in our operations.



GLOBAL ALIGNMENT

Alliance for Water Stewardship (AWS) Core Certification

AWS certification is confirmation of having met the global benchmark for responsible water stewardship, and in 2021, we joined the Alliance for Water Stewardship initiating our journey to pursue certification for both of our manufacturing facilities.

CEO Water Mandate

The CEO Water Mandate is a UN Global Compact initiative supporting businesses on water and the Sustainable Development Goals. We became a signatory in 2021, pledging our commitment to continuous progress against six core elements of water stewardship.

UN Global Compact Ocean Principles

The Ocean Stewardship Coalition is a global forum, the coalition seeks to drive meaningful change through leveraging innovation and knowledge. In 2021, we became a signatory of the Principles.



OUR COLLABORATIONS

In 1990, Mary Kay and The Nature Conservancy (TNC) announced its partnership. Our conservation efforts started off close to home, focusing on protecting and preserving the natural resources of Texas. Over the last 32 years, we have supported hundreds of projects in partnership with TNC and served as a vocal advocate for organizations to be proactive and make substantive environmental improvements.

We expanded our focus on ocean work around the globe with TNC, including coral reef conservation and restoring important shellfish reefs. In addition to supporting TNC to protect and restore ocean health, we are also bolstering the organization's efforts to uplift women's leadership in helping to make their communities more resilient, and support actionable change for various water-type ecosystems: freshwater ecosystems, oceans & coasts ecosystems, and aquatic biodiversity. From 2020-2022, we have supported 29 TNC projects around the world.



GUARDIANS OF THE GULF



The Gulf of Mexico has long been affected by hurricanes, oil spills, overfishing, and agricultural run-off, but continues to support one of the most biodiverse ecosystems, with over 15,000 species. This resilience is tenuous because - like any relationship - only so much can be taken without giving back.

The guardians show that action can result in tangible change, and this change inspires hope. Their voices ebb and flow throughout the narrative, moving with the tide of every advance toward sustainability and retreat with each disaster. With hope, more people are motivated to take action, and the wave of sustainability continues to swell.

In *Guardians of the Gulf*, the Gulf of Mexico is given a voice by her caretakers to tell a story of generosity and strength. These conservationists, fisherpeople, tour operators, chefs and student leaders strive to improve sustainability in their work and community. Through action, they see change. Through change, they see hope.

An all-female crew embraced the cold and rainy shoot days in Alabama, the lashing wind in Veracruz and the sunny skies in Texas to visualize the dynamism of the Gulf of Mexico.

Awards

- Telly Awards: Silver: Non-Broadcast General-Nature/Wildlife; and Bronze: Non-Broadcast General-Doc.
- LA Femme Film Festival: Selected as one of two finalists in "Best Special Focus Documentary" award category.
- WorldFest-Houston International Film Festival: Nominated to receive one of the prestigious WorldFest Remi Awards in its entered Category.

Film Festivals

- Finalist for EarthxFilm, the world's most prestigious sustainability-focused film festival.
- Accepted & screened at LA Femme Film Festival, which celebrates, supports and advances content creation by Women Producers, Writers, and Directors from around the world.
- Invited and accepted into the Wild Texas Film Tour,
- Gulf State Park Learning Center requested "Guardians of the Gulf" be a regularly screened, in-residence documentary for their tours.
- Selected for programming into the 54th Annual WorldFest-Houston International Film Festival.
- Invited and screened at the Through Women's Eyes International Film Festival, produced by the Gulf Coast Chapter of UN Women USA, dedicated to showcasing women filmmakers and selecting films that address issues inadequately represented in mainstream media.
- Selected and screened at the Cinema on the Bayou festival.



DECADE OF ACTION 2020-2030

WATER.....

We are committed to reduce water utilization in our manufacturing process by 30%.

OUR APPROACH

- o Water Management
- o Reduction in Water Consumption
- o Global Alignment
- o Partnerships

OUR PROGRESS

2020 - 2022 Total

- o Installed additional meters in various areas throughout R3 operations to ensure data accuracy, and additional meters for purified water operations.



OUR BEGINNING: 2020

OUR ACCOMPLISHMENTS

- » Conducted preliminary water footprint baseline:
 - Less than five percent of water used at global manufacturing plant goes directly into products.
 - Data collection systems and optimization measures (water reuse, improved wastewater treatment) are already implemented in manufacturing plant in Hangzhou, China.
 - Global manufacturing facility took steps toward developing a site water balance.
- » Released *Guardians of the Gulf* documentary highlighting conservationists in the Gulf of Mexico.
- » Supported The Nature Conservancy's Global Reefs program: 11 unique impact programs.



OUR JOURNEY: 2021

- » Launched and executed phase two of water footprint baseline:
 - Total water footprint in CY2021 was 607 million gallons (2,300,385 m3).
 - Manufacturing facilities directly used approximately 12 million gallons (47,728 m3) in CY2021, a relatively small component of the total water footprint.
 - A majority of indirect water use, about 32% of the total in CY2021, came from the consumer use phase.
- » *Global Alignment*: Became a signatory to the CEO Water Mandate and the United Nations Global Compact's Sustainable Ocean Principles; and joined Alliance for Water Stewardship (AWS).



OUR NOW: 2022

- » Supported The Nature Conservancy's Global Reefs program: 12 unique impact programs.
- » *Global Alignment*: Joined the UN Global Compact's Ocean Stewardship Coalition.



OUR BEYOND: 2023-2030

We are COMMITTED to finding new ways to REDUCE WATER UTILIZATION through sustainable water practices.



SAFETY & OPERATIONAL WASTE



We are committed to the safety of our people and developing effective health and safety programs, and continuing operational waste management processes ensuring our buildings will operate efficiently, sustainably and safely.

Investing in a **safety culture** and **planning for future** operational waste management ensures our buildings will operate efficiently, sustainably and safely, all while **minimizing impacts** on building performance.

Our global footprint is vast and drives our holistic sustainability approach especially within our operations. We are focused on efficient manufacturing operations by **reducing our environmental impact** and identifying opportunities for resource improvement.

We realize the importance of **operating in a responsible manner** and are finding ways to have more sustainable facilities, while simultaneously developing and maintaining better operating processes.



SAFETY & OPERATIONAL WASTE

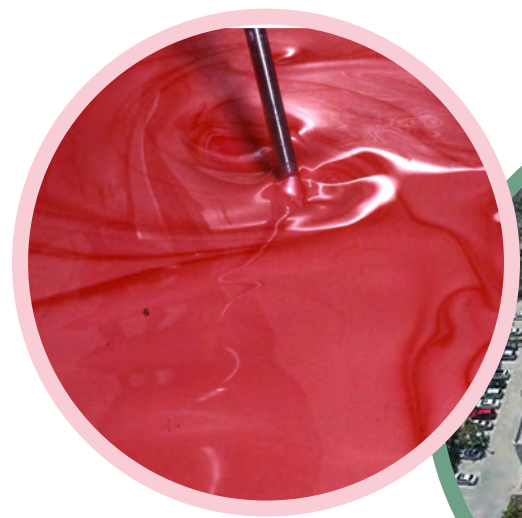
We are committed to safety by collaborating within the Environmental Health & Safety (EHS) governance community and providing relevant world class expertise throughout the Mary Kay Inc. enterprise, and focus on waste diversion in a safe and environmentally-responsible way.

Our Approach

We seek to embed advanced Environmental Health & Safety (EHS) protocols and practices and improve safety across all aspects of our business. Creating an injury-free workplace requires the right training, technology, and data, all working in tandem to reduce the likelihood of injuries and environmental occurrences.

We also focus on best practices for operational waste ensuring our commitment to the environment.

- ENTERPRISE
 - » Culture
 - » Training
 - » Certification
- COLLABORATIONS
 - » Source Reduction
 - » Sustainable Waste Management





SAFETY

The values on which our company was founded include a commitment to take care of our people and are reflected in our safety culture. The safety of our employees is a top priority, a business imperative, and a critical aspect of our approach to sustainability. We fully embrace a culture of: Zero Harm, Zero Waste, and Zero Unsafe Behaviors.

We are committed to drive continuous improvement and achieve excellence in EHS performance. That commitment is formalized in our Corporate EHS policy, a set of principles embraced by the highest level of our leadership. We also have a strong history of managing compliance obligations such as a Star Program with the Occupational Safety and Health Administration's (OSHA) Voluntary Protection Program (VPP). These qualities applied to a sustainability management and reporting system all helps to create a world-class program.

Recognition includes:

○ 2021

- Profiled in Leader: National EHS Magazine Spring Edition "Mary Kay Inc.: Investing In Doing The Right Thing"
- Globe Awards Silver Winner Golden Bridges Awards in three categories for COVID-19 Response.

○ 2022

- Staff Graduate of NEBOSH International Diploma for Occupational Health and Safety Professionals on Corporate EHS Staff
- OSHA Star Re-Certification Credentials in February 2022



DID YOU KNOW?

From 2019-2021, we averaged .71 for our Total Case Incident Rate (TCIR).*

**Overall, the average OSHA TCIR/TRIR is 2.9 cases per 100 full-time employees in private industry.*

As one of the first cosmetic companies to participate, our commitment to OSHA's VPP in the U.S.A. includes:

- Star Certified since 1995
- Manager Commitment and Employee Involvement, Monthly Safety Floor Meetings, Team Huddle, and aggressive internal EHS KPIs
- Participation in SGE auditor program
- 2 paramedics on staff
- 3 EMTs on staff
- ECA certified
- 24/7 Emergency Operations Center
- National and Regional Conference support and speaker participant
- Human Performance Evaluations (HPE) for Pre-Employment and return to work



SAFETY AWARDS

- OSHA-VPP Star Among Stars
- OSHA-Special Government Employee (SGE) Excellent Award
- Regional OSHA Lead Best of the Best Commendations
- University of Texas Arlington (OSHA Training Center)-Mentor Site Recognition



OPERATIONAL WASTE

We focus on diverting operational waste from landfill disposal worldwide. It is only one element of a more holistic approach to produce without damaging the natural environment.

Our approach includes:

- Source Reduction
- Sustainable Waste Management

Our Efforts

Source Reduction—We know reducing waste at its source lessens the impact that waste has on the environment. This involves evaluating operating practices to determine opportunities for waste prevention strategies.

- Zero Landfill—Our manufacturing facilities in the U.S.A. and China, which make up more than 50% of the total industrial waste generated by the company, have maintained zero landfill status since 2011 and 2014, respectively.
- Waste-to-Energy—The trash from our manufacturing facilities in the United States and China is turned into renewable energy.
- Zero Waste—We are committed to sustainability efforts focusing on environmental change in manufacturing operations. In 2020 & 2021, Mary Kay conducted consecutive baseline studies to accurately determine waste in its current operations.

Sustainable Waste Management—Waste generated at our sites is managed in a way that actively contributes to the environmental goals of sustainable development. Through robust waste management infrastructure, sites have implemented programs that reduce pollution, produce energy and conserve natural resources.

- Recycling Programs—We aim to reduce the amount of waste we generate and to reuse or recycle materials. All Mary Kay sites maintain recycling programs for waste either through segregating waste materials into different containers such as paper, plastic, aluminum cans, etc. or through combining the trash and recycle materials into one single stream for recycling.
- Packaging Materials (shipping operations)—Biodegradable packing peanuts (biopeanuts), made from renewable corn and potato starch are used to ship millions of Mary Kay products each year.



TAKING ACTION

Finding Sustainable Solutions

At the height of the COVID-19 pandemic in May 2020, we, like many businesses across U.S., found ourselves with an unintended surplus of off-spec material—in this case, 3,740 gallons of petrolatum—and was in need of a solution that met our high landfill diversion standards while removing this specialized waste. We found a strategic partner in the sustainable waste management company, RoadRunner Recycling, which used its expertise to develop the best solution for this unique waste stream, bringing a whole new meaning to “smarter recycling” and driving a far-reaching solution that found impactful medical applications for the surplus product.

THE PROBLEM

We were in need of a sustainable solution for the unexpected surplus of petrolatum as a result of unexpected changes to production due to the global pandemic.

Given the material was considered “off-spec” for our products, we needed a solutions for **3,740 gallons of petroleum jelly.**

CONSIDERATIONS

- Due to the pandemic many disposal & recycling partners weren’t operating at their full capacity, causing an initial challenge.
- Despite the petrolatum being deemed “off spec” for our purposes, the material was still over 18 months away from its expiration date, deeming it safe and useful for medical uses as petroleum jelly.

THE SOLUTION

RoadRunner Recycling vetted **20+ vendors** to find the best solution for the surplus petrolatum while working closely alongside our team to facilitate the staging and shipping of the excess material to the most appropriate end user.

In this case, Brother’s Brother, a Pittsburgh-based nonprofit that seeks medical surplus donations in order to provide relief shipments to underserved communities in need of healthcare and disaster response across the globe, was the recipient.

BY THE NUMBERS

6 PALLETS

donated to community organizations in Haiti, Honduras, & Venezuela

68 DRUMS

on 17 pallets shipped to a non-profit in Pittsburgh, Pennsylvania (U.S.A.)

28K lbs.
of petrolatum

 **5 TONS**
donated material



3 COUNTRIES

impacted by distribution



DECADE OF ACTION 2020-2030

SAFETY & OPERATIONAL WASTE OUR APPROACH

We are committed to the safety of our people by developing effective health and safety processes, and planning for future operational waste management ensuring our buildings will operate efficiently, sustainably, and safely.

- o Culture
- o Training
- o Certification
- o Source Reduction
- o Sustainable Waste Management

OUR PROGRESS

2020 - 2022 Total

- o OSHA Star Re-Certification Credentials (Feb. 2022)
- o Richard R. Rogers Manufacturing/R&D facility (R3), announced it passed its OSHA VPP Star Re-Certification with zero findings and recommendations.

OUR BEGINNING: 2020

- » Partnered with service providers to increase landfill diversion and generate renewable energy from waste.



OUR JOURNEY: 2021

- » Richard R. Rogers Manufacturing/R&D facility (R3), announced it passed its OSHA VPP Star Re-Certification with zero findings and recommendations.
- » Globee Awards Silver Winner Golden Bridges Awards in 3 categories for COVID-19 Response.



OUR NOW: 2022

- » Received OSHA Star Re-Certification Credentials (Feb. 2022).
- » Continued partnerships with service providers to increase landfill diversion and generate renewable energy from waste.



OUR BEYOND: 2023-2030

We are **COMMITTED** to drive continuous improvement and **ACHIEVE EXCELLENCE** in EHS performance and operational waste management.



SOCIAL SUSTAINABILITY

From the very beginning, our brand was built on purpose. Social responsibility keeps us centered and why our company thrives today. We are advocates for equality, supporters of economic empowerment, and believe every girl and woman should have access to education. We are committed to empowering women and their families by partnering with organizations from around the world, focusing on supporting cancer research, protecting survivors from domestic abuse, and supporting our communities.

Bottom line: we always want to help.



ENRICHING LIVES TODAY
FOR A SUSTAINABLE TOMORROW



OUR PURPOSE

Mary Kay has always had an intrinsic social purpose: Enriching Women's Lives

When it comes to our philanthropic efforts, we support a wide range of local, national, and global organizations. Through collaboration with key partners, we can maximize our reach, gather greater insights to improve opportunities and outcomes, and support essential services and innovative solutions.

Mary Kay and its company-sponsored foundations strive to

make the world a better place.



As part of our mission

to enrich the lives of women and their families, our global social impact and local community strategy consist of a multi-faceted approach:

- **IMPACT PROGRAMS TO DRIVE CHANGE**
 - » Pink Changing Lives (PCL)
 - » Funding Cancer Research for Cancers Affecting Women
 - » Ending Gender-Based Violence (GBV) and Domestic Violence (DV)
- **TRANSFORMATIVE PLATFORMS TO ENABLE**
 - » Women's Empowerment: Equality, Entrepreneurship & Education
 - » Diversity, Equity & Inclusion (DEI)
- **COMPANY-SPONSORED FOUNDATIONS**
 - » Instituto Mary Kay (Brazil)
 - » Mary Kay Ash Charitable Foundation (Canada)
 - » Programs and funds set up in partnership with Mary Kay China, including: Mary Kay Women's Entrepreneurship Program, Mary Kay China Charity Fund, Mary Kay Spring Bud Fund, Young Women's Future Fund, and Pink Changing Lives Community Fund.
 - » Mary Kay Ash Foundation (U.S.A.)
- **CAPACITY DEVELOPMENT**
 - » Partnerships
 - » Program Development & Incubator
 - » Knowledge & Learning
- **ORGANIZATIONAL RESILIENCE & VALUE CONSTRUCT**
 - » Grant Programs
 - » Advocacy & Transparency

Since we began tracking in 1996, Mary Kay and its company-sponsored foundations have given more than

\$200 million

in charitable contributions to support organizations fighting cancer, gender-based violence, gender inequality, education for women and girls, environmental protection, and more.



We will focus on *three commitments* toward achieving our 2030 sustainability targets for Women’s Empowerment:



Women’s Empowerment

OVERVIEW

Globally, women and girls face significant barriers to realizing their own potential. Shattering glass ceilings is no longer enough. Every barrier must be torn down, ensuring equality and sustainable change. We celebrate women and girls all over the world: empowering them, eliminating inequalities, and lifting their communities. Empowered women and girls are the key to a successful future.



EQUALITY

We are committed to a proactive policy agenda addressing **women’s equality**.



ECONOMIC EMPOWERMENT

We are committed to empowering over **five million women** worldwide.



EDUCATION

We are committed to ensuring access to education for **250,000 girls and women** globally.



Women's Empowerment

HISTORICAL HIGHLIGHTS

DID YOU KNOW?

In 2019, a multi-stakeholder partnership convening six United Nations agencies and Mary Kay was announced: The Women's Entrepreneurship Accelerator (WEA). UN partners in WEA are: International Labor Organization (ILO), International Trade Centre (ITC), International Telecommunication Union (ITU), UN Development Programme (UNDP), UN Global Compact (UNGC) and UN Women. WEA's mission is to maximize the development impact of women's entrepreneurship in achieving the Sustainable Development Goals (SDGs) by creating an enabling ecosystem for women entrepreneurs around the world.



This report showcases progress for our sustainable commitments through our actions today and our commitment to the future. We believe it is mutually important to share our historical efforts in these commitments and how our impact is not recent but our legacy to **do the right thing.**



- 1968** On November 10, Mary Kay Ash was quoted in multiple local articles following her speech at the District 15 Conference of the Business and **Professional Women's Club meeting**. "The only role women are allowed to play without discrimination, is that of wife and mother," said Mary Kay, continuing that one of the ways women could most help themselves in this area is, "to examine closely the views of various political candidates on this subject, because the holders of public office are the ones who can do most to change the situation."
- 1996** On October 4, Mary Kay receives the **Corporations That Make a Difference Award** from the International Women's Forum (IWF) "launching the original corporate success model based on the individual empowerment of women and joy of entrepreneurship." Mary Kay was one of nine corporations selected by IWF as having made an outstanding commitment to equality and progress for women.
- 1997** Receives the corporate excellence award from **Dialogue on Diversity**, a non-profit organization dedicated to advancing dialogue among business and professional women of all ethnic and national communities. Mary Kay is recognized for fostering entrepreneurial achievement among women, especially those from diverse ethnic communities in the U.S. and around the world.
- 2005** Mary Kay Ash was honored with the **Jack Evans Citizenship Award** by the Dallas Mayor's Committee for the Employment of People with Disabilities.



- 1986** President Ronald Reagan honors Mary Kay Ash for being featured in the **National Federation of Independent Business Report**.
- 1996** President Bill Clinton mentions Mary Kay Inc. in a speech given in Moscow for the G7 Summit. The President thanks Mary Kay for offering **entrepreneurship to thousands of women in Russia**.
- 2001** Mary Kay China establishes the Mary Kay **Women's Small Business Fund** co-organized by the All-China Women's Federation (ACWF), which offers a zero-interest, one-year loan designed to help unemployed, underprivileged women establish their own small businesses. The Fund still operates today.



- 1994** Mary Kay sponsors a pilot program that offers **scholarships totaling \$30,000** to college-bound high school female seniors at public schools in **15 cities** across the United States.
- 1995** In March, **20 young women** from high schools across the United States and Puerto Rico **received scholarships** from the Mary Kay National Scholars Program.
- 2018** The City of Lewisville (USA), Mary Kay, and the M.R. & Evelyn Hudson Foundation announced a **unique 10- year partnership** with the Lewisville Independent School District (LISD, Texas, U.S.A.) offering a robust entrepreneurship curriculum. The curriculum, based on the nationally renowned INCubatoredu, encourages students to develop their own businesses with the help of local professionals.



EQUALITY



Our focus on creating a **culture of respect** and operationalizing our commitment to gender equality and women's empowerment as an enterprise through **advancing diversity, equity and inclusion** in the workplace. We continue to integrate the implementation of the Women's Empowerment Principles in our policies and operations through our participation in the UN Global Compact's Target Gender Equality Programme.

We are committed to developing a 10-year policy agenda to addressing women's equality.



EQUALITY

Our founder, Mary Kay Ash, spent her much of her life breaking down barriers for herself and for other women. Gender equality and women's empowerment have always been a part of our mission and core business strategy.

"I wanted to provide an open-ended opportunity to women, to help them achieve anything they were smart enough to do. I didn't think it was fair for women to earn less than a man doing the same work. And I was tired of people telling me that I thought like a woman."

~ Mary Kay Ash

Our Approach

For almost 60 years, we have always led with purpose with the intention to make a positive impact and stay true to our mission of "Enriching Women's Lives" by equipping women with the means to realize their full potential.

Through strategic investments and partnerships, we support key programs and initiatives to drive action and continue to push for change and accountability toward full gender equality. We collaborate with partners to promote women's equality by strengthening women's leadership and representation, by calling out for change to the systemic and cultural barriers that women face.

○ ENTERPRISE

- » Women's representation in leadership

○ COLLABORATIONS

- » Global Alignment



WOMEN'S REPRESENTATION IN LEADERSHIP

Despite women's increased engagement in public decision-making roles, equality is far off. Women hold about 21 percent of ministerial positions globally, and only three countries have 50 percent or more women in parliament, and 22 countries have a woman as head of state.³

Research shows there is a clear correlation with increasing women's representation in national parliaments and the adoption of more effective policies.



Gender Diversity/Leadership at Mary Kay

2020 DATA*

- Global Workforce: 61% Female
- Exec Team: 50% Female
- VPs and above: 52% Female
- Directors and above: 59% Female
- Managers and above: 58% Female
- Market Leaders: 64% Female
- Top 10 markets: 60% Female

*June 2020

2021 DATA*

- Global Workforce: 61% Female
- Exec Team: 54% Female
- VPs and above: 54% Female
- Directors and above: 59% Female
- Managers and above: 58% Female
- Market Leaders: 64% Female
- Top 10 markets: 60% Female

*March 2021

2022 DATA*

- Global Workforce: 62% Female
- Exec Team: 54% Female
- VPs and above: 53% Female
- Directors and above: 57% Female
- Managers and above: 59% Female
- Market Leaders: 70% Female
- Top 10 markets: 60% Female

*August 2022

WOMEN-LED CONSERVATION PROGRAMS

Evidence shows there is an association between the participation of women in natural resource management and better resource governance and conservation outcomes.⁴

We partner with over 100-150 organizations annually, and we prioritize women-led programs. One of our longest partnerships—over 30 years—with The Nature Conservancy (TNC), we focus on conservation efforts led by women.



Support Through Collaborations

Mangroves, Women, and Markets in Papua New Guinea

The Nature Conservancy (TNC) partners with the women of Mangoro Market Meri (Mangroves, Women, and Markets), a group that markets sustainable mangrove products, such as shellfish and mud crabs, while protecting mangroves from being harvested for their wood. We are supporting TNC's efforts as they focus on training for leadership, financial literacy, and business management to generate much-needed income and employment opportunities. In addition, the program is helping to foster a knowledge-sharing network between Mangoro Market Meri and other local women's groups, and working with local researchers to conduct an analysis of blue carbon opportunities regarding mangrove protection and restoration.

GLOBAL ALIGNMENT

Our commitment to gender equality and our position as a corporate leader in advancing women's equality is reflected in the commitments and support for internationally agreed conventions and standards.

We believe these global frameworks and standards are key to achieve a better, more inclusive and sustainable future, and we implement them through our company's mission, business model and external partnerships and collaborations.

You can learn more about our support of these frameworks in our Advocacy & Transparency commitment (see pages: 73-78).



Support Through Awareness

Position Paper on European Union Gender Equality Strategy

In 2021, we released a position paper welcoming the European Commission's *Gender Equality Strategy for 2020-2025* which presented policy objectives and actions to make significant progress towards achieving gender equality by 2025. A key objective is addressing the global and regional gender pay and pension gap.



DECADE OF ACTION 2020-2030

EQUALITY

We are committed to developing a 10-year policy agenda to addressing women’s equality.

OUR APPROACH

- o Women’s representation in leadership
- o Global Alignment

OUR PROGRESS

2020 -2022 Total

- o 6 equality support tools supported
- o 2 company position paper/impact reports released



OUR BEGINNING: 2020

OUR ACCOMPLISHMENTS

- » Contributed to an advocacy tool titled “Strengthening Support for Women Entrepreneurs in COVID-19 Response and Recovery,” developed by WE EMPOWER-G7, a program funded by the European Union (EU) and implemented by UN Women and International Labour Organization (ILO).
- » Supported The Nature Conservancy partnership by advancing conservation and sustainable aquaculture projects in Australia and New Zealand.



OUR JOURNEY: 2021

- » Released a position paper welcoming the European Commission’s Gender Equality Strategy for 2020–2025.
- » Joined the Generation Equality Forum in Paris, as well as five Global Action Coalitions to accelerate achieving gender equality by 2026.
- » Supported women-led, regional-level conservation initiatives created by The Nature Conservancy in the Coral Triangle and in the Asia Pacific region.

OUR NOW: 2022

- » Completed the Women’s Empowerment Principles Gender Gap Analysis Tool as part of our participation in the UN Global Compact Target Gender Equality Accelerator.
- » Advocated for the acceleration of gender equality and highlighted the critical role of the private sector to help close the gender gap through a global statement following the release of the 2022 Global Gender Gap Report.
- » Advanced women’s leadership in the fishing industry in Mexico through 8 programs and projects implemented by The Nature Conservancy.



OUR BEYOND: 2023-2030

We are **COMMITTED** to developing a 10-year policy agenda to address **WOMEN’S EQUALITY** and to strengthening our partnerships to bring about the structural and cultural changes that are needed to achieve gender equality and women’s empowerment.



ECONOMIC EMPOWERMENT



We are committed to empowering 5 million women worldwide by 2030.

Mary Kay is a for-profit company with a **social mission**—to advance women’s entrepreneurship and ultimately **women’s economic independence**. Mary Kay Ash, our founder, had a vision that all women would be empowered to realize their full potential. In 1963, she developed a retail business plan first; then she identified the products which would provide women the vehicle to advance their economic status and ultimately achieve financial independence. Makeup and skincare became these vehicles that brought Mary Kay Ash’s vision of women’s economic opportunity to life.

At Mary Kay, we know that **investing in women’s economic empowerment sets a direct path towards gender equality**, poverty eradication, and inclusive and sustainable economic growth. However, because of their unequal status in society, progress in advancing women’s economic opportunity remains a challenge. Latest data show that it will take **151 years to close the economic participation and opportunity gender gap**.¹

¹ World Economic Forum. (2022). Global Gender Gap Report 2022. https://www3.weforum.org/docs/WEF_GGGR_2022.pdf



ECONOMIC EMPOWERMENT

Helping women entrepreneurs overcome the structural and cultural barriers they face is a corporate priority at Mary Kay. We believe we must invest in and empower women to realize the full benefits of women's economic participation not just on the economy and on businesses, but on society at large.



Our Approach

Investing in women makes business and economic sense. Data show that when women work economies grow. For instance, the McKinsey Global Institute estimates that taking action now on gender equality would add \$13 trillion to global GDP in 2030.² Significantly, several of the world's fastest economies owe their success in part to women's increased role in production, trade and entrepreneurship.³

Investing in women's economic empowerment also creates a direct path towards more resilient societies reducing poverty and advancing inclusive economic growth since women, research shows, are more likely to spend their income on family needs, reinvesting up to 90 percent of their earnings in their families and communities, thus making a proportionately larger contribution to society and to sustainable development.⁴

ENTERPRISE

- » Pathways of Entrepreneurship for Independent Beauty Consultants

COLLABORATIONS

- » Addressing barriers & finding solutions for women's entrepreneurship beyond our core business



² McKinsey Global Institute. 2020. "COVID-19 and gender equality: Countering the regressive effects."
³ UN General Assembly. 2010. "Report of the Secretary-General: Women's Participation in Peacebuilding."
⁴ Harvard Business Review. 2013. "The Global Rise of Female Entrepreneurs."



PATHWAYS OF ENTREPRENEURSHIP FOR INDEPENDENT BEAUTY CONSULTANTS

For almost six decades, we have been empowering millions of women entrepreneurs to set up their own Mary Kay business around the world, including in North America, Europe, Latin America and Asia Pacific. We align strategic investments in education, training, mentoring, innovation and promoting their success, supporting Mary Kay Independent Beauty Consultants (IBCs) through entrepreneurship.

Our goal is to enable women to build business skills through entrepreneurship by establishing and managing their own business.

We do this through strategic investments across six pathways of entrepreneurship:

Education

We focus on product and business education equipping IBCs with the necessary knowledge through innovative e-learning platforms with curriculum. Through product and business education, we support IBCs to ensure they have a solid understanding of the science behind Mary Kay products, as well as an understanding of business processes and management so they can establish and sustain their business. We also connect IBCs to a learning community to share best practices.

Mentoring

Mentoring involves senior members of the independent sales force guiding other IBCs on business and product education as well as sharing other relevant knowledge and skills to support IBCs' Mary Kay businesses. The goal of mentoring is to help IBCs learn and develop their businesses through sharing knowledge, skills, and experiences, guiding them in their entrepreneurial journey.

Training

Mary Kay offers training and leadership opportunities to equip IBCs with the skills to progress their career at a pace that suits them. The goal of training is to ensure IBCs have the necessary skills to create and manage their business. We offer several training programs through online resources for training and business development through a number of tools. To strengthen the development of interpersonal growth and business development skills, Mary Kay provides Seminar classes, Leadership Conference classes and Career Conference classes to its IBCs.

Networking

Networking helps IBCs establish and nurture long-term supportive relationships with their peers and customers. The goal of networking is to establish professional and personal relationships amongst IBCs and their customer base. Social networks provide opportunities for them to share in and celebrate each other's success and share helpful tips to guide their businesses. Developing relationships and connections within each other's professional networks can also increase professional opportunities for members of the sales force to advance their career.

Digital & Product Innovation

A big focus is given to Digital and Product Innovation. We do this through the development and use of digital technology, tools, and application, as well as investments in science and R&D to transform and enhance the experience of IBCs and their customers. The development of digital tools and product innovation are some of the largest investments here at Mary Kay. The goal of innovation in the context of entrepreneurship at Mary Kay is to improve existing business processes and workforce efficiency, enhance customer experiences, and launch new products and services to ensure each IBC has product of the highest quality to sell to their customers. We aim to make sure our IBCs are empowered by equipping them with the tools that meet the needs of their customers. We also believe innovative and elevated science leadership enhances the credibility of each IBC and provides them with top quality products for a successful business.

Celebrating Success

Celebrating Success is our company's acknowledgment of the achievements of IBCs and recognizing their entrepreneurial journey. We believe in recognizing the achievements and hard work of IBCs. The focus of Seminars, held annually, is to provide a platform for Mary Kay to celebrate IBCs for their achievements, while also providing key educational and networking opportunities for the year ahead.



6 Most Important Things List

As a top business leader, Mary Kay Ash would learn from other successful leaders as she was building her business. She tells a story about an efficiency expert named Ivy Lee, who transformed Charles Schwab's early business by recommending his executives complete their day by writing out their **6 Most Important Things to do for the next day**, and then work, going down the list the next morning. Now Mary Kay Independent Beauty Consultants all over the world are taught to write their own 6 Most Important Things list.

ADDRESSING BARRIERS & FINDING SOLUTIONS FOR WOMEN'S ENTREPRENEURSHIP

Our founder designed a blueprint for women's success in 1963 by defying her era's gender norms. At that time, barely a third of American women were in the workforce. Prior to establishing her company, Mary Kay Ash consistently earned lower wages than her male counterparts, who also passed her by for promotions. When she called this out, she would be derided for "thinking like a woman." Another was that men needed more money because they had families to support. "I had a family to support too!" recalled Ash, a single mother in her 1981 memoir. She eventually quit and built a company where there would be no wage gap or male bosses, and women would be rewarded for thinking like women. She quickly turned a few thousand dollars into a multi-billion-dollar cosmetics company and led it for decades.

Her vision was to offer women unmatched opportunities for financial independence, advancement, and personal success. Through its core business model of Enriching Women's Lives around the world one woman at a time Mary Kay is creating a ripple effect changing the lives of women and their families through the power of influence. And she took it one step further, she wanted to help women...everywhere.

Our journey would be to launch a global entrepreneurship accelerator for women.

THE GENESIS:

Gender Lens Impact Investing (2001)

In 1995, Mary Kay was launched in China to provide business opportunities for women. True to its mission, Mary Kay China engaged over the years in a series of targeted initiatives and partnerships aimed at advancing women's economic empowerment.

In 2001, Mary Kay China joined forces with the China Women's Development Foundation (CWDF) to establish the Mary Kay Women Entrepreneurship Fund. The Foundation established a microfinance project for women entrepreneurs by providing RMB 10 million in interest-free revolving loans. These efforts have successfully helped more than 80,000 women in 23 provinces achieve their entrepreneurial dreams.

In 2011, Mary Kay China and UN Development Programme entered a formal partnership with CWDF. From 2012 to 2016, the partners carried out a community development project in Chuxiong, Yunnan Province, to empower ethnic minority women by harnessing their unique cultural asset: Yi Embroidery.

THE INSPIRATION:

the SDG Pilot Village Project in China (2017)

Recognizing that improving the lives of rural women is key to fighting poverty and achieving sustainable development, UNDP China and Mary Kay China, in collaboration with the China Women's Development Foundation, the China International Center for Economic and Technical Exchanges, the Women's Federation of Yunnan Province and Yongren County Government, launched the SDG Pilot Village Project in Waipula, Yunnan Province, China in 2017.

The joint project, entitled "SDG Pilot Village Project: Women-focused Poverty Reduction and Sustainable Development" (2017-2021), addressed the structural barriers to women's labor market participation, including through the provision of social protection and the creation of green entrepreneurial opportunities through ecotourism, coupled with efforts to enhance women's leadership in community decision-making forums.

Women from the Yi ethnic group became the drivers of economic growth and poverty reduction through targeted gender-specific interventions that advanced an inclusive local economy and the preservation of their cultural heritage.

Aligned with national development priorities, the pilot was selected by UNDP and partners as a test pilot to localize the SDGs and complementary to President Xi Jinping's goal to eradicate rural poverty by 2020 outlined in the National 13th Five-Year Plan (2016-2020).

The SDG Pilot Village Project in Waipula's transformational success built the local business case that advancing women's economic empowerment is a powerful leverage to fight poverty—planting the seeds and inspiring the Women's Entrepreneurship Accelerator global initiative.





THE IMPACT:

The Women's Entrepreneurship Accelerator (2019)

The success of the SDG Pilot Village Project has built a strong evidence base that advancing women's economic empowerment is a powerful lever in the fight against poverty.

Taking stock of Waipula's transformational journey and recognizing the multiplier effect of women's entrepreneurship on the SDGs, Mary Kay Inc., in collaboration with the United Nations, incepted the Women's Entrepreneurship Accelerator (WEA) at the UN General Assembly in 2019.

The SDG Pilot Village Project served as the inspiration for WEA, and provided the framework to launch a truly global entrepreneurial platform designed to empower the current and next generation of women in business, everywhere, free and with no barrier to entry through education, mentoring, training, and economic empowerment.

The inception of WEA was announced by Mary Kay in partnership with six United Nations agencies [UN Women, United Nations Office for Partnerships (UNOP), International Labour Organization (ILO), International Trade Centre (ITC), UN Global Compact (UNGC), and the United Nations Development Programme (UNDP)] at the Concordia Summit during the 74th United Nations General Assembly in 2019.

The WEA collective has committed to accelerating the achieving of women's economic inclusion and equality through identifying a set of global strategic objectives to:

- Empower 5 million women entrepreneurs by 2030 through the delivery of capacity building workshops, and the creation of knowledge products;
- Promote women employment to provide more decent work options to women and girls;
- Raise global awareness of the positive contributions that women entrepreneurs make for sustainable development and promote new policies and partnerships as new challenges and opportunities arise;
- Support investment mechanisms which target women entrepreneurship; and
- Collect critical gendered data to inform policy work and implement the needed changes and improvements to laws, social systems, and institutions.

DAUGHTERS OF THE MOON



"Huobonuoma" or "Daughters of the Moon" features the real-life stories of three women leaders from the village of Waipula in Yunnan Province, China – site of implementation of a SDG Pilot Village Project. The film presents how Shiqiong Han, Yongyan Zhu and Xuefang Xia have contributed to the village's economic, environmental and social transformation through their leadership and commitment to preserving the Yi heritage, promoting eco-tourism, and integrating sustainable agricultural practices. Also featured in the video are key partner representatives who highlight the advancements that have taken place in the village by targeting women's entrepreneurship as a key driver of poverty reduction and local sustainable development.

Partners:

- Mary Kay Inc.
- United Nations Development Programme (UNDP) China
- Mary Kay China in collaboration with the China Women's Development Foundation
- China International Center for Economic and Technical Exchanges
- Women's Federation of Yunnan Province
- Yongren County Government

Notable

- The SDG Pilot Village Project is the first initiative which demonstrates how the SDGs can be implemented at the village level in China and the multiplier effect of women's entrepreneurship.
- Contributed directly to 12 of the 17 SDGs.
- Impact Stats for Phase 1 (2017- 2021):
 - With the project contributing to China's poverty alleviation campaign, the proportion of villagers living below the national poverty line fell from 28% in 2017 to 0% in 2020 in Waipula;
 - Through training and capacity building, 60 households and 193 individuals living under the poverty line were lifted out of poverty by 2020;
 - 210 seasonal migrant workers and 120 long-term migrant workers, the majority of which comprised women, were able to return home to find a job or start their own business;
 - 607 local women found employment and raised their income with some emerging as community leaders, taking up roles as members of the village committee and managers in local hospitality and the arts; and
 - People's per capita income grew to be RMB 14,128 in 2021.

Awards

- The SDG Pilot Village Project has been a finalist for the Reuters Events Responsible Business Awards in 2020 and in 2022 under its "SDG Pioneer Award" category.

DECADE OF ACTION 2020-2030

ECONOMIC EMPOWERMENT . . . OUR APPROACH

We are committed to empowering over 5 million women worldwide by 2030.

- o Pathways of Entrepreneurship for Independent Beauty Consultants
- o Addressing barriers & finding solutions for women’s entrepreneurship beyond our core business

OUR PROGRESS

- 2020-2022 Total
- o Direct: 532,522
 - o Indirect: 7,109,235



OUR BEGINNING: 2020

OUR ACCOMPLISHMENTS

» Supported a Women’s Entrepreneurship Development (WED) Assessment led by International Labour Organization (ILO) in Mexico City and efforts to strengthen advocacy for women’s entrepreneurship development in the LATAM region.

OUR JOURNEY: 2021

- » Welcomed three additional partners to the Women’s Entrepreneurship Accelerator (WEA): International Telecommunication Union (ITU), Commonwealth Businesswomen’s Network (CBWN), and WE Empower UN SDG challenge.
- » Supported the design by UN Women of a gender-responsive procurement and investment (GRPI) pilot training for women entrepreneurs and companies in Europe and Central Asia and the launch of the first Women Entrepreneurship EXPO.

OUR NOW: 2022

- » Powered the global launch of a free online Entrepreneurship Certificate Programme —developed by International Trade Centre SheTrades in six languages.
- » Supported the release by UN Women of an Advocacy Brief titled “Procurement’s Strategic Value. Why gender-responsive procurement makes business sense.”
- » Backed an open innovation competition organized by International Telecommunication Union recognizing 10 digital best practices and solutions to create a more gender-inclusive eco-system for start-ups and scale-ups.



OUR BEYOND: 2023-2030

We remain steadfast in our **SUPPORT AND ADVOCACY** for women entrepreneurs as central agents of inclusive economic development and as we continue to implement our 10-year Sustainability Strategy we are **COMMITTED** to deepening our partnerships to shake up the status quo for women entrepreneurs to thrive.



EDUCATION



Through this commitment, we aim to **close the gender gap** in accessing and completing quality education, learning and skills training for women and girls. This requires partnerships to drive action including: skills acquisition for women and girls, addressing the under-representation of diverse women and girls in educational opportunities, and training.

We are committed to ensuring access to education for 250,000 girls and women globally.



EDUCATION

Our impact on education is achieved by providing education/business development programs to support women's entrepreneurship and by collaborating with partners to address the barriers that restrict women's and girls' educational opportunities.

Our Approach

We believe in the transformational impact of investing in women and girls' education and the ripple effect it has for families, communities and economies. According to the World Bank, for every extra year of primary education, a girl's individual wage rate increases an average of 10-20 percent and 25 percent with an extra year of secondary school. Research also shows how 90 percent of a mother's wage is reinvested in her family; thereby lifting a household out of poverty and hunger. This is compared to 30-40 percent contributed by men.¹

We aim to strengthen women and girls' access to education thereby strengthening communities and societies.

ENTERPRISE

- » Education & Skills Training for Employees

COLLABORATIONS

- » Next Gen Entrepreneurship
- » Educational Pursuit Grants





EDUCATION & SKILLS TRAINING FOR EMPLOYEES

Our future lies in our people. Helping them grow and contribute to their fullest potential starts with encouragement and positive support, backed by training and mentoring programs. We offer numerous opportunities for growth throughout the year to help employees increase their skills for their present job and in preparation for their next position:

- Core business skills training, such as presentation skills, team building, business writing, time management, customer service and more.
- Leadership training, such as the transition to management, coaching, resolving conflict, leading change, strategic thinking and more.
- Technical/professional training, which includes courses and conferences related to a specific industry or profession.
- Computer training, such as programming or software courses.

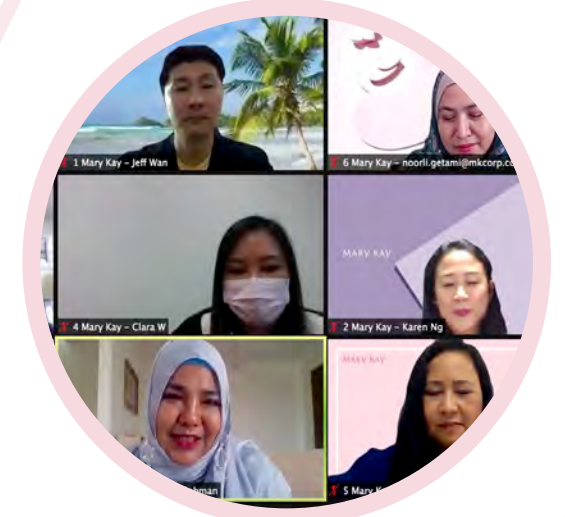
NEXT GEN ENTREPRENEURSHIP

By collaborating with global partners to advance research, policy and programs, we aim to strengthen women and girls' access to education thereby strengthening communities and societies.

To reach our goal to advance women and girls' access to education, we continue to push for change and drive global impact through Next Gen Entrepreneurship. We are investing in providing global access to educational opportunities and programs that empower the next generation of innovators and leaders.

Recent partnerships include:

- The We Empower UN SDG Challenge (2020, 2021)—A global business competition for women entrepreneurs who are advancing the UN Sustainable Development Goals and inspiring entire communities to act to create the world we want by 2030 (*Capacity-building training and mentoring sessions*).
- Network for Teaching Entrepreneurship (nfte) (2020-2022)—Mary Kay's World Series of Innovation Challenge encourages young people from around the world to submit innovative solutions to address Sustainable Development Goal 5: Gender Equality. Specifically, this challenge asks students to think about ways to promote workplace equality and ensure equal access to economic opportunity for women and girls. World Series of Innovation Challenge; Entrepreneurship in Every School: U.S. Entrepreneurship 1 (E1) and Entrepreneurship Essentials (EE); and International Programming in Mexico, Ireland, Singapore, and Germany.
- City of Lewisville/INCUBATOR Program (2017-2022)—Partnership with the Lewisville Independent School District (LISD) (Dallas, Texas, U.S.A.) offering a robust entrepreneurship curriculum for Lewisville High School students.





EDUCATIONAL PURSUIT GRANTS

By developing collaborative multi-stakeholder global partnerships to advance research, policy and programs that foster new pathways to expand educational access for women and girls, we are addressing the barriers that impede women and girls' access to education.

We are providing critical support to youth seeking higher education to better equip them with an opportunity to pursue their educational and entrepreneurial dreams through the following:

- Partnerships with organizations supporting education for women and girls;
- STEAM (Science, Technology, Engineering, Arts and Mathematics); and
- Global partnerships supporting entrepreneurship education.

Partnerships with Organizations Supporting Education for Women and Girls

- Army Scholarship Foundation (2020-2022)—Mary Kay Corporation Honorary Scholarship awards one scholarship annually to deserving sons and daughters of US Army soldiers and Army veterans, and to spouses of enlisted active-duty soldiers.
- Hispanic Scholarship Fund (2020-2022)—Provides support to empower students and parents with the knowledge and resources to successfully complete a higher education, while providing support services and scholarships to as many exceptional students, HSF scholars and Alumni as possible.



STEAM (Science, Technology, Engineering, Arts and Mathematics)

STEAM

- STEAM: Past. Present. Future. Research grant for Girls (2020-2022)—A research grant for girls under 18 to further research to solve world's challenges.
- Society of Cosmetic Chemists: Madam C.J. Walker Scholarships for Female People of Color (2020-2022)—A scholarship supporting under-represented minority students of any gender identity pursuing an undergraduate or graduate degree in chemical, physical, medical, pharmaceutical, biological, or related sciences and technology, relative to the cosmetics and personal care industry.

Skin Health Research

- Mary Kay Inc. Skin Health/Skin Disease Research Grants—Announced first-ever grants for female researchers conducting groundbreaking, innovative studies in skin health and skin disease (2021)

Cancer Research (in collaboration with company-sponsored foundations)

- Domestic Cancer Research for scholars (2020-2022)
- International Cancer Research grants (2020-2022)
- Cancer Research Clinical Trials Research Grant (2020-2021)

Global Partnerships Supporting Entrepreneurship Education

- WEA Online Entrepreneurship Certificate Programme (ITC SheTrades) (2019-2022)—The online programming aims is to teach women entrepreneurs—aspiring or veteran—the skills to design and set up businesses that have potential to be economically viable. Participants will learn how to adopt an entrepreneurship culture, develop ideas through design thinking and lean start-up methodologies, prepare a business model canvas, design a pitch, identify sources of funding, find the right partners, arrange for mentorship, build a team, and set up their businesses.
- SDG Pilot Village Project: Women-focused Poverty Reduction and Sustainable Development (2017-2021)—Addressed the structural barriers to women's labor market participation, including through the provision of social protection and the creation of green entrepreneurial opportunities through ecotourism, coupled with efforts to enhance women's leadership in community decision-making forums.
- UN Women GRPI pilot training in Europe and Central Asia (2021-2022)—Capacity building for companies on gender-responsive procurement and investment.



DECADE OF ACTION 2020-2030

EDUCATION

We are committed to ensuring access to education for 250,000 girls and women globally.

OUR APPROACH

- o Education & Skills Training for Employees
- o Next Gen Entrepreneurship
- o Educational Pursuit Grants

OUR PROGRESS

2020 - 2022

- o Programs: 34
- o Projects: 34
- o Impact: 96,198

OUR BEGINNING: 2020

OUR ACCOMPLISHMENTS

- » Programs: 10
Projects: 10
Impact: 49,952
- » Partnered with Network for Teaching Entrepreneurship (nfte) to reach nearly 48,000 youth globally through World Series of Innovation (WSI) corporate-sponsored challenge asking youth to address a UN SDG; Innovation Days for Mary Kay employees to help students craft submissions for our WSI challenge; and sponsoring the UN Global Goals Conversation to advance a dialogue around social entrepreneurship solutions.
- » Mary Kay China supported Girl Accomplishment to provide special public welfare fund's literacy education curriculum for 1,500+ junior high school students.



OUR JOURNEY: 2021

- » Programs: 14
Projects: 13
Impact: 23,198
- » Funded 13 unique education-related projects and awarded 15 scholarships to individuals seeking higher education or furthering their educational pursuits.
- » Awarded the first-ever Madam C.J. Walker Scholarships, in collaboration with Society of Cosmetic Chemists, to underrepresented minority students pursuing degrees in cosmetics or related sciences.

OUR NOW: 2022

- » Programs: 10
Projects: 11
Impact: 23,048
- » 14 Young Women in STEAM Grants have been awarded to-date during the decade of action, providing women around the world with grants allowing them to further pursue their dreams in STEAM-related areas.
- » Ivanna Hernandez, a 2021 recipient of a Young Women in STEAM Grant, receives a second continuing education grant to further her dream of becoming the first Latin American woman astronaut to go to Mars.



OUR BEYOND: 2023-2030

By developing **COLLABORATIVE** multi-stakeholder partnerships to advance research, policy and programs that foster new pathways to expand educational access for women and girls, we are **COMMITTED** to addressing the barriers that impede access to education.

We will focus on *three commitments* toward achieving our 2030 sustainability targets for Social Impact:



CANCER RESEARCH

We are committed to funding **400,000 hours** of cancer research.



GENDER-BASED VIOLENCE & DOMESTIC VIOLENCE

We are committed to support **5 million women** globally in need of support services.



GLOBAL SOCIAL IMPACT & LOCAL COMMUNITY

We are committed to collaborating with over **500 organizations** and supporting positive change all over the world.

Social Impact

OVERVIEW

It’s simple: lead with purpose. At the center of our moral compass is purpose. We are dedicated to collaborating with organizations from all over the world to find meaningful solutions to global issues.



Social Impact
HISTORICAL HIGHLIGHTS



DID YOU KNOW?

Since the 1980s, Mary Kay Inc. and members of the independent sales force have lobbied Congress and state legislatures on issues including insurance coverage for mammograms for women, the Violence Against Women Act (its reauthorization and subsequent appropriations), and teen dating violence awareness and prevention.



MARY KAY

This report showcases progress for our sustainable commitments through our actions today and our commitment to the future. We believe it is mutually important to share our historical efforts in these commitments and how our impact is not recent but our legacy to **do the right thing.**



- 1989** Mary Kay Canada is the founding sponsor of **Look Good Feel Better** program designed to help women recovering from cancer deal with the changes in their appearance as a result of radiation and chemotherapy. Program launches nationally March 22, 1989.
- 1994** A new fund-raising record for cancer research from donations made by the sales force at Seminar (**Grand Total: \$328,387**).
- 1996** Mary Kay Ash establishes the Mary Kay Ash Charitable FoundationSM, now known as **The Mary Kay Ash FoundationSM**, to provide funding for cancer research for cancers affecting women. The Foundation embraces a second cause in 2000: **prevent domestic violence against women.**
- 2019** The Mary Kay Ash FoundationSM awards its **first clinical cancer research grant** to Baylor Scott & White Dallas Foundation(USA) for the third and final trial in a series of clinical trials for metastatic triple negative breast cancer (TNBC). It usually affects younger women, African American women, and women with a BRCA1 genetic mutation.



- 2001** Sponsors a PBS documentary surrounding the issue of domestic violence: **Breaking the Silence.**
- 2002** Receives the **Humanitarian of the Year Award** from the Los Angeles County Commission (USA) on Assaults Against Women (LACAAW).
- 2004** Receives the 2004 **Torch of Conscience award** presented by the American Jewish Congress which honored the Mary Kay Foundation philanthropic commitments to cancer research and ending domestic violence.
- 2006** Underwrites the **¡No Más Silencio!** campaign to help prevent domestic violence in the Hispanic population nationwide.
- 2007** Awards **\$200,000** to the National Domestic Violence Hotline for its **Love Is Respect** program to raise awareness and champion **zero tolerance of dating violence among teens.**
- 2009** Mary Kay builds Nature Explore Classrooms (NEC) at **domestic violence shelters across the country** as part of a first-of-its-kind program. The outdoor learning spaces provide a safe environment in an effort to bring nature into the daily lives of **thousands of children.** In addition to the outdoor space, each Nature Explore Classroom includes a multi-faceted curriculum with details on how to fully maximize the educational opportunities and healing effects of the outdoor environment. **Twenty NECs have been built to-date.**
- 2020** Mary Kay and The Mary Kay Ash FoundationSM **donated \$100,000 to “Together For Her” to fight Gender- Based Violence during COVID-19.**



- 1989** Mary Kay Ash Charitable Guaranteed Annuity Trust donates **\$10,000 to the American Red Cross Disaster Relief Fund** in October to assist hurricane victims in South Carolina and earthquake victims in California.
- 1992** The **Mary Kay Women’s Fund** was established to help South Florida recovery efforts from the devastation of Hurricane Andrew.
- 1999** Mary Kay Inc. receives the **Good Neighbor Award** from the American Red Cross Chisholm Trail Chapter in North Texas for its **“significant humanitarian contribution** in support of the American Red Cross.” The Company’s donations of Mary Kay products helped the Red Cross serve local disaster victims as well as victims of the Oklahoma tornadoes.
- 2002** Mary Kay **Tragedy Relief Fund Trust** to help the families of those lost on 9/11 disburses the collected funds.
- 2010** After the devastating earthquake in China, two Mary Kay Spring Bud Schools open in China, allowing nearly **2,000 students** to learn in safe, spacious, new facilities. The three- and four floor schools, each holding dozens of classrooms, are designed to **withstand earthquakes up to a magnitude of seven.**
- 2020** Mary Kay committed nearly **\$10 million** to global COVID-19 support, manufacturing hand sanitizer to support frontline workers around the world, **20** Healthcare Systems, **800+** Hospitals, **600** domestic violence shelters, **280** international organizations, and **1.5 million** frontline responders

CANCER RESEARCH



One in three women are diagnosed with some form of cancer during their lifetime, which is why we—along with our company-sponsored foundations—are **dedicated** to eliminating cancers affecting women.

It's time to find a cure.

We are committed to funding
400,000 hours of cancer research.



CANCER RESEARCH

Research enhances our understanding of cancer and helps us find and develop better, more effective treatments, earlier detection and better outcomes for women facing a cancer diagnosis.

Our Approach

In collaboration with our company-sponsored foundations, we focus on funding research for innovative grants for translational research of cancers affecting women (predominantly ovarian, uterine, breast, endometrial or cervical cancer among others), and clinical trials to help with better detection, prognosis and treatment of these cancers affecting women.

ENTERPRISE

- » Partnerships
- » Advocacy

COLLABORATIONS

- » Research
- » Collaboration
- » Awareness





SUPPORTING CANCER RESEARCH

Along with our company-sponsored foundations, we know our role is to nurture partnerships aligned with our commitment on funding research to eliminate cancers affecting women. Through grant programs, fundraising, and advocating for women's health, we ensure we remain true to our mission: Enrich Women's Lives.

Our efforts include:

- **Partnerships**—Strategic partnerships enable us to support organizations through impactful social programs and services to make even bigger strides in bettering communities and improving the world, and through our company-sponsored foundations we can move progress forward.
- **Advocacy**—Over the last few decades rapid advances in processes to collect, monitor, disclose, and disseminate information have contributed towards the development of entirely new modes of advocacy for knowledge. We continue to engage in the conversation to ensure concerns for women's health remain a priority.

COLLABORATING FOR CANCER RESEARCH

We know the answer is in the research, and that is why we are focused on funding cancer research in collaboration with scientists around the world. We focus on raising awareness through highlighting the research done over the years in an effort to continue the conversation to find a cure.

Our efforts include:

- **Research**—Provide support for innovative research to translate new knowledge into better prognosis and better outcomes for women facing a cancer diagnosis.
- **Collaboration**—Build lasting partnerships to maximize our reach on a global scale and advance programmatic excellence.
- **Awareness**—Promote education, research and medical resources to support those affected by cancer.

DID YOU KNOW?

In 2022, the Mary Kay Ash Foundation has 37 innovative cancer research and clinical trials projects and researchers in its pipeline; 43% of the innovative cancer research projects are led by women, while 100% of the clinical trials are women-led.



DECADE OF ACTION 2020-2030

CANCER RESEARCH*

We are committed to funding 400,000 hours of cancer research.

**Cancer Research goal will be achieved in conjunction with our company-sponsored foundations.*

OUR APPROACH

- o Partnerships
- o Advocacy
- o Research
- o Collaboration
- o Awareness



OUR PROGRESS

2020 - 2022 Total

- o 288,600 cancer research hours funded
- o 111 research grants awarded

OUR BEGINNING: 2020

» Mary Kay and the Mary Kay Ash Foundation, in partnership with the Harold C. Simmons Comprehensive Cancer Center at UT Southwestern Medical Center in Dallas, launched the International Postdoctoral Scholars in Cancer Research.

OUR JOURNEY: 2021

- » Mary Kay and the Mary Kay Ash Foundation, funded nearly \$1.8 million in cancer research grants and support programs.
- » Mary Kay and the Mary Kay Ash Foundation, awarded nearly 40 cancer research grants, 40% of those were women-led initiatives.

OUR NOW: 2022

- » 288,600 research hours conducted to-date.
- » As part of a three-year clinical trial conducted by breast oncologist Joyce O’Shaughnessy, MD, Celebrating Women breast cancer research chair, the Mary Kay Ash Foundation served as lead funder for the clinical trial to advance treatment options for metastatic triple-negative breast cancer.



OUR ACCOMPLISHMENTS



OUR BEYOND: 2023-2030

We are COMMITTED to continue partnerships to fund research for innovative grants to ELIMINATE CANCERS affecting women.

GENDER-BASED VIOLENCE (GBV) & DOMESTIC VIOLENCE (DV)



We are committed to serving five million women globally in need of support services.

According to research from the United Nations, globally more than 1 in every 10 women and girls aged 15-49 were subjected to sexual and/or physical abuse by an intimate partner in the previous year¹ and 1 in 3 women have been subjected to physical and/or sexual violence at least once in their lifetime.² The COVID-19 pandemic further increased women and girls' exposure to violence with lock downs, shocked health systems, restricted mobility, and shifted funding priorities.

We believe gender-based violence is a **major public health concern** and a violation of women's rights. It has a devastating and lasting impact on survivors themselves as well as on societies as a whole and is a clear barrier to sustainable development.

It also carries enormous fiscal impact and is a significant financial burden on the global economy. In 2016, the global cost of violence against women was estimated by the UN to be **US\$1.5 trillion**, equivalent to approximately 2 percent of the global gross domestic product, or roughly the size of Canada's economy.³

Recognizing that gender-based violence is a huge barrier to women empowerment, we are **supporting efforts** that prevent and respond to this form of violence. **We are dedicated** to this issue through our continued engagement and support to organizations on the frontlines responding to the needs of survivors everywhere.

¹ UN Women and United Nations Department of Economic and Social Affairs. (2022). "Progress on the Sustainable Development Goals: The gender snapshot 2022."

² United Nations. (2021). "The Sustainable Development Goals Report 2021."

³ UN Women. (2016). Remarks by UN Assistant Secretary-General and Deputy Executive Director of UN Women, Lakshmi Puri at the high-level discussion on the "Economic Cost of Violence against Women", 21 September 2016.



GENDER-BASED VIOLENCE (GBV) & DOMESTIC VIOLENCE (DV)

We are committed to making the world a better place through addressing gender-based violence against women and girls.

GBV: a Pandemic Before the Pandemic*

It is estimated that of the **87,000 women** who were intentionally killed in 2017 globally, more than half **(58%) were killed by intimate partners or family members.**

Therefore, every day, **137 women** across the world are killed by a member of their own family.

Intimate partner violence—physical and/or sexual—is the most common type of violence against women, **affecting 30 per cent of women worldwide.**

Source: UN Trust Fund to End Violence against Women, Annual Report 2019.



Our Approach

Guided by our mission to enrich the lives of women and girls, we decided over two decades ago to take a stand against the enduring pandemic of gender-based violence (GBV) and domestic violence (DV).

Through strategic investments, resource mobilization, external partnerships and advocacy efforts, we support key platforms, programs and initiatives to drive impact and continue to push for change and accountability toward the elimination of gender-based violence.

- **ENTERPRISE**
 - » Advocacy to End GBV and DV
- **COLLABORATIONS**
 - » Supporting Comprehensive, Accessible and Quality Services for Survivors of GBV and DV
 - » Prevention & Awareness





Photo courtesy: iStock

ADVOCACY TO END GBV & DV

Using our platform as a corporate leader for gender equality and women's empowerment, we advocate for the elimination of GBV and DV through our support of multi-stakeholder dialogues and global partnerships. Our advocacy also includes support for prevention strategies, the implementation of evidence-based policies and programs, and driving awareness in support of social and legislative change.

COLLABORATING TO ELIMINATE VIOLENCE AGAINST WOMEN

We understand the need for accelerated action toward the elimination of gender-based violence against women and girls through scaled-up survivor-centered global action. Our efforts are centered around partnering with women's organizations to scale up evidence-based prevention programming and the expansion of comprehensive, accessible and quality services for survivors of gender-based violence.

We do this through the following priority areas:

- **Supporting Comprehensive, Accessible and Quality Services for Survivors of GBV:** Partnering with organizations on the front lines of GBV response efforts meeting the needs of survivors at the local level and globally in conflict and disaster settings.
- **Prevention & Awareness Raising to Mobilize Efforts to End GBV:** Supporting evidence-based prevention strategies to drive down prevalence of GBV and address the root causes of this violation.



“Violence against women and girls is a major public health concern and a violation of women's human rights. It is estimated that **one in three women** will be subjected to physical violence, rape or stalking at some point in their lives, and it is women from underserved and traditionally marginalized groups that are disproportionately victimized. Violence can result in adverse health outcomes and be fatal. It also carries enormous fiscal impact and is a significant financial burden on the global economy. As we have witnessed increased levels of violence against women during the pandemic, **we must re-commit our efforts** to preventing and responding to violence against women and girls wherever it occurs.”

Julia Simon
Chief Diversity Officer
Mary Kay, Inc.

DECADE OF ACTION 2020-2030

GENDER-BASED VIOLENCE (GBV) & DOMESTIC VIOLENCE (DV)

We are committed to serving five million women globally in need of support services.

**GBV & DV goal will be achieved in conjunction with our company-sponsored foundations.*

OUR PROGRESS

2020 - 2022 Total

- o Direct: 2,241,541 women and children supported
- o Indirect: 20,645,257 women and children supported

OUR APPROACH

- o Advocacy to End GBV and DV
- o Supporting Comprehensive, Accessible and Quality Services for Survivors of GBV and DV
- o Prevention & Awareness

OUR ACCOMPLISHMENTS

OUR BEGINNING: 2020

- » Mary Kay and the Mary Kay Ash Foundation supported two gender assessments of the impact of COVID-19 pandemic on women and girls led by UN Trust Fund to End Violence against Women among 144 Civil Society Organizations (CSOs).
- » Mary Kay and the Mary Kay Ash Foundation supported phase 1 of the development of CARE's GBV Risk Mitigation Toolkit to ensure CARE projects take steps to reduce the risk of GBV and establish appropriate response systems.



OUR JOURNEY: 2021

- » Mary Kay and the Mary Kay Ash Foundation were recognized in the UN Women Report on the activities of the United Nations Trust Fund to End Violence Against Women to the Commission on the Status of Women (CSW65) and Human Rights Council.
- » Mary Kay and the Mary Kay Ash Foundation provided grants to CARE (329 projects) and UN Trust Fund (37 projects) supporting 366 projects to prevent and address GBV around the world.
- » Mary Kay and the Mary Kay Ash Foundation joined the Generation Equality Action Coalition on Gender-Based Violence.



OUR NOW: 2022

- » Mary Kay and the Mary Kay Ash Foundation grants helped CARE protect and support women and girls impacted by GBV in humanitarian settings and CARE's target to eliminate GBV for 7 million women and girls.
- » Mary Kay and the Mary Kay Ash Foundation grants supported the development and launch of a "GBV Guidance for Development Programs" and its rollout in 10 countries of intervention as well as the establishment of a Community of Practice convening 240 members across 16 countries to date.
- » Mary Kay and the Mary Kay Ash Foundation grants helped the UN Trust Fund change the lives of 54,822 women and girl survivors of violence through 157 GBV projects in 68 countries across 5 regions including women and girls living

with disabilities, internally displaced or refugee women and girls and Indigenous women and girls.

- » Supported the development of CARE's Gender-Based Violence Guidance for Development Programs, a practical tool for implementing high-quality GBV interventions.
- » At the Commission on the Status of Women (CSW66), the UN Trust Fund to End Violence Against Women's 2022 annual report on its 2021 activities recognized the Mary Kay Ash Foundation and Mary Kay Inc.'s efforts to eliminate violence against women and girls—alongside the governments of 16 countries and nine UN Women National Committees.



OUR BEYOND: 2023-2030

As we continue to implement our 10-year Sustainability Strategy, we are **COMMITTED** to ensuring over five million women and girl survivors of GBV & DV **RECEIVE THE SERVICES THEY NEED.**

GLOBAL SOCIAL IMPACT & LOCAL COMMUNITY



Our mission will never change. Our global, company-wide actions, initiatives, and partnerships demonstrate our unwavering commitment to uphold this mission. In our decisions and everyday actions, **we live these values**; we infuse them in our culture; our actions reflect our commitment to always give more than we receive. We've made this progress by being purposeful in our decisions and our collective actions. As the expectations of a global, socially responsible company change, **so must we.**

We are committed to collaborating with over 500 organizations and supporting positive change all over the world.



GLOBAL SOCIAL IMPACT & LOCAL COMMUNITY

We are committed to empowering women and their families by partnering with organizations from around the world, focusing on supporting cancer research, protecting survivors from domestic abuse and beautifying our communities.

As part of our mission to enrich the lives of women and their families, our global social impact and local community strategy consists of a multi-faceted approach to do the best for those in need.



PINK CHANGING LIVES (PCL)

Pink Changing Lives is our global commitment to recognize women and girls who are changing the world for the better, and support organizations around the world who tirelessly work to improve the lives of women and their families. The cause empowerment program is entirely funded by a portion of the sales from Pink Changing Lives products. Since 2008, the program has impacted more than six million women and their families by partnering with over 3,250 organizations, donating over \$17 million.

EMERGENCY RESPONSE

Around the world, we are mobilizing efforts to address the most pressing in-kind and monetary needs of communities affected by crises including everything from natural disasters to health crises.

BY THE NUMBERS

500
ORGANIZATIONS
SERVED BY 2030

More than
\$200 million
donated
by Mary Kay Inc. its four
company-sponsored
foundations since 1995

Nearly
60
YEARS
of giving
back

over
\$17 MILLION
donated to organizations from our
Pink Changing Lives program.

more than
6 million women
and their families impacted
(Pink Changing Lives)

PINK CHANGING LIVES™

MARY KAY



Mary Kay Ash made a lasting impact to change the world for the better. In honor of her legacy, Pink Changing LivesSM was born to support and celebrate women and girls' impactful contributions to the world.

Pink Changing Lives is our global commitment to recognize women and girls who are changing the world for the better, and support organizations around the world who tirelessly work to improve the lives of women and their families.



Our Pink Changing Lives cause empowerment program donates funds to organizations around the world focused on supporting cancer research and programs, helping end gender-based violence, fighting poverty, advancing climate justice, beautifying our communities, and programs empowering women and girls. The cause empowerment program is entirely funded by a portion of the sales from Pink Changing Lives products. Since 2008, Mary Kay's global Pink Changing Lives cause empowerment program has impacted more than six million women and their families by partnering with over 3,250 organizations around the world, donating over \$17 million.

Our Pink Changing Lives Honoree program, which launched in 2020, recognizes and celebrates influential female leaders who are using their platform, gifts, and voices for social good to create meaningful change and positive ripple effects. Through activism, innovation, technology, and extraordinary accomplishments, these women are leaving their mark on the world, forever changing lives for the better.

Our Pink Changing Lives Limited-Edition Product is specially selected each year and offered for purchase. A portion of the sales from Pink Changing Lives products is donated to mission-aligned organizations around the world.

DID YOU KNOW?

Since 2008, Pink Changing Lives has impacted more than six million women and their families by partnering with over 3,250 organizations, donating over \$17 million.



PINK
CHANGING
LIVES™

MARY KAY

In 2020, the Pink Changing Lives cause empowerment program supported over 135 organizations serving over 500,000 women and children around the world. Organizations supported included:

Mary Kay Argentina/Uruguay

Donated to Fundacion Vida Sin Violencia, an organization to help women that lived through domestic violence. This foundation provides a home for these women and their children for a short period of time, and when they are ready to move forward, they leave this home and start a new life.

Mary Kay Belarus

Supported ImenaMedia, a social and charitable institution that “improves the lives of those to whom society does not pay attention.”

Mary Kay Canada

The Mary Kay Ash Charitable Foundation and Mary Kay Canada donated to Look Good Feel Better (LGFB) to support women facing cancer. LGFB offers a complimentary beauty workshop that gives Canadian women the tools and techniques to feel beautiful.

Mary Kay China

Supported OneFoundation, an organization to help children in rural areas get access to sufficient, safe and affordable drink water.

Mary Kay Czech Republic

Fond Ohrožených dětí is a nongovernmental, non-profit organization aimed at helping vulnerable children through foster care shelter and education services, and currently operates in 15 child friendly facilities for children requiring immediate assistance.



Mary Kay Germany/Netherlands/Sweden

Donated to Cleft-Kinder-Hilfe, whose mission is to improve the healing possibilities for patients with cleft and other craniofacial anomalies as well as their social integration.

Mary Kay Hong Kong

Donated to Hong Kong Cancer Foundation to promote public awareness of breast cancer and the importance of breast health.

Mary Kay Kazakhstan

Provided support to the Amila Public Fund to support the program, “Healthy Asia” to support and educate women diagnosed with breast cancer.

Mary Kay Lithuania

Supported Rimantas Kaukėnas Charitable Foundation whose goal is to make life easier for seriously ill children and their families, to help them get through the trauma of diagnosis, and to support through their long journey towards recovery.

Mary Kay Malaysia

Donated to National Autism Society of Malaysia (NASOM) supporting online awareness regarding autism, including training and workshops, as well as screening and diagnosis services.

Mary Kay Moldova

Donated to Save Life who focuses on coverage of expensive treatments and interventions, needed for the treatment of kids with severe diseases.

Mary Kay Philippines

Donated to Talikala, Inc., an organization which aims to improve the quality of life for women and young children who are victims and survivors of sex trafficking and prostitution.

Mary Kay Poland

Donated to One Day Charity to help fund different activities such as professional courses and tools, aptitude tests, allowing young people to fulfill their dreams and find and keep proper paying jobs.



DECADE OF ACTION

Mary Kay Portugal

Since 2019, has supported Ajuda de Berço, a social solidarity institution that works every day to provide a dignified and happy present to children from 0 to 3 years old who are waiting for a future – an adopted family, the return to their biological family or another place where they can find the protection they deserve and need.

Mary Kay Singapore

Partnered with the United Nations to promote economic empowerment among young girls in its Girls2Pioneers program.

Mary Kay Slovakia

Supported Civic Association Orin Panacea and its activities related to oncological children patients and their families.

Mary Kay Spain

Since 2013, collaborated with Fundación Integra on the project “A New Future with Mary Kay” through the Pink Changing Lives™ Program. Fundación Integra organizes sociolabor workshops and specific courses where Mary Kay Spain employees get to contribute their knowledge in different fields.

Mary Kay United Kingdom

Donated to Rainbow Trust Children’s Charity. Rainbow Trust supports families who have a child aged 0-18 years with a life threatening or terminal illness and need support.

Mary Kay United States

Donated over \$500,000 to the Mary Kay Ash Foundation to help provide grants to domestic violence shelters across the country, and support cancer research for cancers affecting women.



DECADE OF ACTION

PINK CHANGING LIVES™

MARY KAY

In 2021, Mary Kay's global Pink ChangingLivescauseempowerment program supported over 20 NGOs around the world. Organizations supported included:

Mary Kay Argentina

Donated \$18,800 to Fundacion Vida Sin Violencia, whose mission aims to promote a safe place for women and children who are victims of family violence, to help expand the organization and build a new one next to the existing one.

Mary Kay Belarus

Supported lmenaMedia, a social and charitable institution that supports social projects and supported the charity project "Shelter for Women and Children."

Mary Kay Canada

The Mary Kay Ash Charitable Foundation and Mary Kay Canada donated a combined gift of \$130,000 CDN to Look Good Feel Better to support women facing cancer. LGFB offers a complimentary beauty workshop that gives Canadian women the tools and techniques to feel beautiful.

Mary Kay China

Supported "100% Smile," providing funds to support girls needing cleft lip and palate surgery. In 2021, Mary Kay China raised a total of 350,000 yuan to help 70 girls with cleft lip and palate get free surgery through donations and lipstick sales. 37 beauty consultants participated in offline surgery activities as volunteers. From 2014 to 2021, Mary Kay China has allocated a total of 4.45 million yuan to 879 girls with cleft lip and palate who need help.

Through China Women's Development Foundation, Mary Kay China donated a combined 100,000 yuan in essential supplies to: 84 villagers needing cooking oil, flour and other essentials affected by flooding; 365 villagers who lacked personal protective equipment against COVID-19; Lizhai Village Primary School who was affected by the flood and required audio-visual technology for teaching; and 846 left-behind women and children received recreational equipment to improve their physical and mental health.

Mary Kay Colombia

Donated \$3,750 to Fundación Proyecto Guajira, whose mission is to combat child malnutrition in La Guajira and help improve the quality of life for the communities in the region.

Mary Kay Czech Republic

Fond Ohrožených dětí is a nongovernmental, non-profit organization aimed at helping vulnerable children through foster care shelter and education services, and currently operates in 15 child friendly facilities for children requiring immediate assistance. The donations coming partially from the sales of Mary Kay Pink Changing Lives products and local charitable branded products with Miki the penguin (the patron of the charitable Mary Kay CZ/SK activities and representing a symbol of hope and good deeds.

Donated 543,157 CZK to Be Charity to provide a children's play zone at Prague children plastic surgery hospitals and clinics in Bratislava, and eventually in Czech Republic.

Supported Arcidiecezni Charita Praha, Charity Ostrava, Magdalenium, and Acorus, non-profit women's shelters, providing a donation of 60.000 CKZ to each organization.

Mary Kay Czech Republic donated 200.000 CZK to non-profit organization People in need in Czech Republic, to support victims and to assist in the recovery after devastating tornado in South Moravia (Czech Republic).

Mary Kay Germany/Netherlands/Sweden

GNS donated 48,000 EUR: 50% was donated to Cleft-Kinder-Hilfe, whose mission is to provide free medical care to children with cleft lip and palate, and 50% was donated to Horizont e.V. an organization which has several women's shelters to help women and their children.

DECADE OF ACTION

Mary Kay Kazakhstan

Provided support to the Amila Public Fund to implement the “First Support” charity project. The First Support project aids pediatric patients of Almaty Regional Children’s Clinical hospital.

Mary Kay Lithuania

Supported Rimanto Kaukeno Paramos Grupe Charity with a donation of \$2,631 in support of their mission to help children and their families when faced with a serious illness and diagnosis.

Mary Kay Malaysia

Provided funding for National Cancer Society supporting psychological support services.

Donated \$12,150 in funds to National Autism Society of Malaysia (NASOM) supporting online awareness regarding autism, including training and workshops, as well as screening and diagnosis services.

Mary Kay Moldova

Donated \$4,800 to CCF Moldova (Child Community Family Moldova) who focuses on creating for children in need, an environment of hope and respect, in which they can develop their full potential and provide practical tools for a positive change in the life of the child, family and community.

Mary Kay Peru

Donated \$8,090 to Misma Luna, a local non-profit organization reinforcing education and empowerment of girls in vulnerable areas of Peru.

Mary Kay Poland

Donated 50,370 PLN to One Day Charity to help fund different activities such as professional courses and tools, aptitude tests, allowing young people to fulfill their dreams and find and keep proper paying jobs.

Mary Kay Portugal

Since 2019, has supported Ajuda de Berço, a social solidarity institution that works every day to provide a dignified and happy present to children from 0 to 3 years old who are waiting for a future – an adopted family, the return to their biological family or another place where they can find the protection they deserve and need. In 2021, Ajuda de Berço received 3,500€.

Mary Kay Russia

Supported Hurry To Do Good which provides targeted assistance to children with complex illnesses and supporting children’s creativity, culture, and family.

Mary Kay Slovakia

Supported Civic Association Orin Panacea and its activities related to oncological children patients and their families. The donations came partially from the sales of Mary Kay Global Pink Changing Lives products and local charitable branded products with Miki the penguin, the patron of the charitable Mary Kay CZ/SK activities and representing a symbol of hope and good deeds.

Supported Civic Association Brana do zivota, Civic Association Good Heart, and Civic Association Majak Nadeje, non-profit women’s shelters, providing a donation of 2,350 EUR to each organization. Mary Kay Slovakia provided Mary Kay products, used as gift packages for clients, their children and employees of the civic associations.

Mary Kay Spain

Since 2013, collaborated with Fundación Integra on the project “A New Future with Mary Kay” through the Pink Changing Lives™ Program. Fundacion Integra organizes sociolabor workshops and specific courses where Mary Kay Spain employees get to contribute their knowledge in different fields.

Mary Kay Ukraine

Donated \$13,000 to Woman Health & Family Planning Charity Foundation which provides comprehensive rehabilitation programs for women who have survived breast cancer.

Mary Kay United States

Donated \$420,000 to the Mary Kay Ash Foundation to help provide grants to domestic violence shelters across the country.



DECADE OF ACTION

PINK
CHANGING
LIVES™

MARY KAY

In 2022, Mary Kay’s global Pink Changing Lives cause empowerment program will support women and children’s organizations around the world, providing support to those in need. Organizations supported include:

Mary Kay Belarus

Supported Belarusian Children’s Hospice with a donation going towards medicines, medical supplies, hygiene products, specialized baby food, social and medical workers who provide palliative care to ward families of the Belarusian Children’s Hospice Public Organization

Mary Kay Czech Republic

Fond Ohrožených dětí is a nongovernmental, non-profit organization aimed at helping vulnerable children through foster care shelter and education services, and currently operates 15 child friendly facilities for children requiring immediate assistance.

Donated to Be Charity to provide a children’s play zone at hospitals and clinics in Bratislava, and eventually in Czech Republic.

Mary Kay Slovakia

Donated to Civic Association Orin Panacea, an organization that provides resources and volunteers dedicated to the wellness of cancer patients.

Mary Kay Spain

Donated 20,000 EUR to Vicky’s Dream Foundation in support of research for childhood cancer.

Donated 20,000 EUR to Ecomar Foundation, a local non-profit that aims to bring children and young people closer to the marine environment and teach about ecological and environmental values of the sea.

Donated 20,000 EUR to Fundacion Integra in support of research for childhood cancer.

Mary Kay United States

Donated to the Mary Kay Ash Foundation to help provide grants to domestic violence shelters across the country.



PINK CHANGING LIVES™

MARY KAY

2020 First-Ever Pink Changing Lives Global Honoree

Monique Coleman



When you need to engage nearly 20 percent of the world's population and give them a voice to change the future, you search for the most tireless youth advocate you can find. Enter: Monique Coleman. The United Nations appointed Monique Coleman as first-ever "UN Youth Champion" and she has since become a long-time advocate for improving the social and economic well-being of young people.

Most recognized for her character Taylor McKessie in the "High School Musical" movies, Ms. Coleman, recently launched an original docu-series GimmeMo' to amplify youth voices and shine a light on the incredible individuals and organizations making a difference on their behalf. Ms. Coleman garnered a 2019 Daytime Emmy Nomination for "Outstanding Host" in the category Lifestyle, Children's, or Special Class program.

Over the years, Ms. Coleman has supported various charities including Thirst Project, She's The First, Global Kids, Lollipop Theater, Better Youth, WeDay, Playworks, Allstate Foundation, UN Foundation's Girl Up Campaign and many others.

During her tenure as UN Youth Champion, Ms. Coleman initiated and self-funded a global tour to 24 countries. Her aim was to give voice to young people, raise awareness about the most serious challenges they face and highlight the positive contributions youth make in their communities. Her advocacy for the priority area, girls and young women promoted gender equality and poverty reduction.

So, why Monique Coleman as the first-ever Pink Changing Lives Honoree? Because here at Mary Kay, we understand empowered girls grow up to be empowered women, and Ms. Coleman's tireless commitment to youth advocacy will make changes for the betterment of future generations.

2021 & 2022 Pink Changing Lives Honoree

Due to COVID-19, selection and production of a Pink Changing Lives Honoree was postponed for 2021 and 2022.



PINK CHANGING LIVES™
MARY KAY
**LIMITED-EDITION
PRODUCT***

*"I've often said that we are doing
something far more important than just
selling cosmetics; we are changing lives."*

Mary Kay



**2020 Pink
Changing Lives
Product:**

**Limited-Edition Mary Kay Intuitive pH
Lip Balm in Pink and Berry**



**2021 Pink
Changing Lives
Product:**

**Mary Kay Unlimited™ Lip Gloss in
Confident Pink and Hopeful Lilac**



**2022 Pink
Changing Lives
Product:**

**Mary Kay® Heart Shape Lipstick in
Natural Confidence & Courageous Pink**



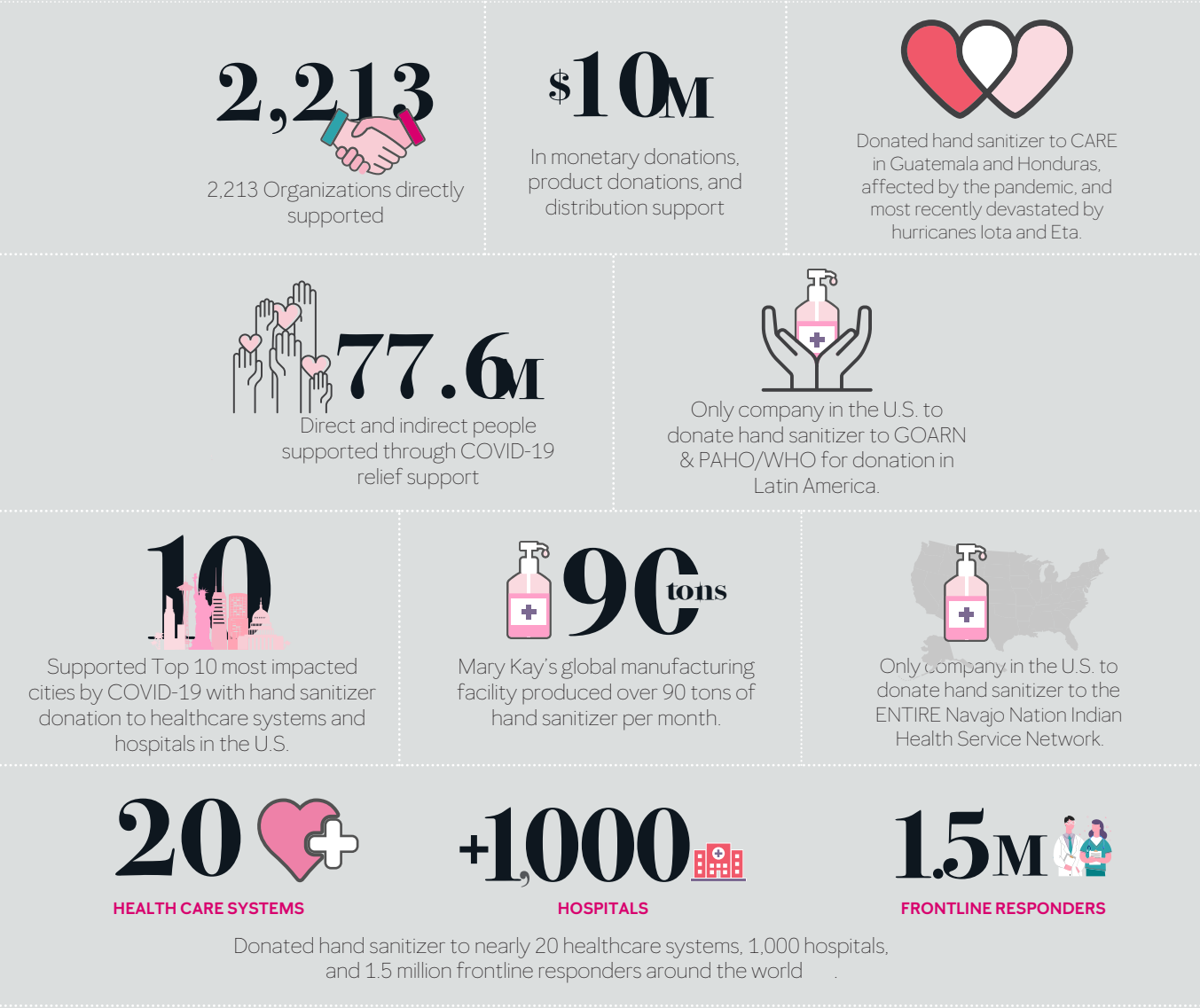
EMERGENCY RESPONSE

Crises are unpredictable, which is why it's imperative we take quick, thoughtful action to mobilize relief efforts in the form of in-kind and monetary donations to ensure those most greatly affected receive critical support in a timely manner. When communities experience crises from natural disasters to global pandemics, we act.

COVID-19 RELIEF IMPACT METRICS AT-A-GLANCE

Mary Kay Inc., along with its four company-sponsored foundations implemented a wide range of initiatives to tackle the COVID-19 crisis including monetary donations, hand sanitizer and other hygiene product donations, and distribution support totaling nearly \$10 million.

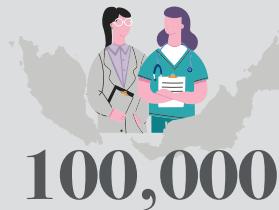
GLOBAL COVID-19 RELIEF IMPACT



AP REGION



Mary Kay China donated 10,000 hand sanitizers to schools in Hangzhou to support reopening.

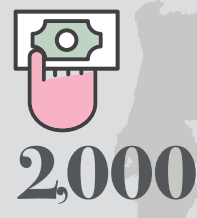


Mary Kay Malaysia donated RM 100,000 to the COVID-19 Relief Fund to support local healthcare workers and those affected by the pandemic.

EUROPE



Mary Kay Germany donated 21,000 euros among the city of Munich, Caritas, Charity Clinic of Berlin and Rottweil Hospital.



Mary Kay Portugal donated 2000 euros to INEM, the agency of the Portuguese Ministry of Health responsible for coordinating the Integrated Medical Emergency System.



Mary Kay Spain donated more than 2,000 hygiene and skincare products to the IFEMA field hospital in Madrid.



Mary Kay Ukraine donated 50,000 UAH to patients of the Ukraine Charity Fund.

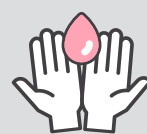
LATAM



Emergency grant for FIOCRUZ – Oswaldo Cruz Foundation to help produce 5,000 modern COVID-19 tests for public hospitals in Brazil.



Mary Kay Mexico donated nearly 50,000 hand sanitizers to Bancos de Alimentos de Mexico (Mexico's Foodbank Network) supporting lower economic communities.



Mary Kay Brazil donated a total of nearly 78,000 hand sanitizers to the Municipalist Association of Pernambuco and city of Sao Paulo.

LOCAL COVID-19 RELIEF IMPACT



Supported 595 organizations in Texas with in-kind and monetary donations

GENDER-BASED VIOLENCE COVID-19 RELIEF IMPACT



\$100,000

Mary Kay Inc. & The Mary Kay Foundation (U.S.) donated \$100,000 to CARE.



\$100,000

Mary Kay Inc. & The Mary Kay Foundation (U.S.) donated \$100,000 to UN Trust Fund to End Violence Against Women.



599

Around the world, Mary Kay Inc. supported 599 domestic violence shelters.

\$75,000



The Mary Kay Foundation (U.S.) donated \$75,000 to Genesis Women's Shelter & Support for the Conference on Crimes Against Women in collaboration with Dallas Police Department.

\$25,000



The Mary Kay Foundation (U.S.) issued \$25,000 grants to three local domestic violence shelters in Dallas (Denton County Friends of the Family, The Family Place, and Hope's Door New Beginning Center).

\$1M



The Mary Kay Foundation (U.S.) announced and awarded \$1 million in COVID-19 unrestricted relief grants for domestic violence shelters in the U.S.

\$98,000



The Mary Kay Ash Charitable Foundation (Mary Kay Canada) issued more than \$98,000 in domestic violence grants to nearly 50 shelters.

OUR COMMITMENT

Sustainability in its wider meaning—environmental, social, economic—is indeed a principle that has deep roots in the Mary Kay story, becoming part of our Company culture over the years. We are proud to say that being a positive influence on society has been Mary Kay’s promise for nearly 60 years. Our hope is you will find our promise has not dimmed over time; in fact, it has only become brighter.

Our approach to sustainability provides the deep foundations we need to support our business strategy: to be a world-class organization. We understand growth and sustainability are not in conflict.

Society evolves with time, but what hasn’t changed—and never will—is our core values that embody our promise to enrich women’s lives while serving the community. We are committed to doing business the right way, which, in large part, is why we continue to lead our industry today.

In a time of constant change, keeping sustainability as the consistent bedrock of our approach to doing business is not only right for society, it will be critically important to our success, which will help us navigate through all the change to come.

There is no finish line, just an aspiration to conduct our business in ways that will continue to earn trust and redefine the role and responsibility of empowering women.

We invite you to join us on this journey.



David Holl

Chairman & Chief Executive Officer

Deborah Gibbins

Chief Operations Officer & Sustainability Leader

*Today.
Tomorrow.
Always.*

MARY KAY

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